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INTER-AMERICAN AFFAIRS

TRINIDAD-TOBAGO IN TALKS WITH BARBADOS, GUYANA

Groundwork for Summit

Port-of-Spain TRINIDAD GUARDIAN in English 13 Feb 85 p 1

[Text] Ministers from both Trinidad and Tobago and Barbados yesterday expressed satisfaction over a marathon session at Riverside Plaza to discuss bilateral trade, regional payments, civil aviation, energy and fisheries.

The meeting was spurred by an invitation from Mr Tom Adams, Barbados Prime Minister, following a breakdown in relations between the two countries after the US-led invasion of Grenada in October 1983.

The Barbados Prime Minister issued an invitation to Prime Minister George Chambers to normalise relations possibly at the opening of the Arawak Cement Company, a joint venture between the two countries. But Prime Minister Chambers wanted several thorny issues settled and he issued a directive to Labour Minister Errol Mahabir to set an agenda for discussion.

The teams exchanged views on the trade difficulties experienced and they decided to install immediately a technical group to explore and recommend solutions, according to a release.

Subsequently, they recognised the importance of a functioning regional payments mechanism to expand Caricom trade.

The Ministers, who met for the better part of the day, examined the state of civil aviation relations, particularly cooperation in the North American, United Kingdom and European Markets. They agreed there was mutual interest in joint action in this area and further discussions to define and recommend "mechanisms for cooperation" will be held at the technical level.

They agreed also to establish contacts between Trintoc and the Ministry of Energy and Natural Resources here, and the National Oil Company and Energy Division of Barbados to further cooperation.

Further meetings, they said should be arranged to prepare a formal accord on fisheries.

Officials of both countries will meet again on March 4, followed by another ministerial meeting March 8.

The Barbados delegation comprised Mr Louis Tull, Minister of Foreign Affairs; Mr Steve Eustage, Director, Ministry of Finance and Planning; Mr Harcourt Williams, Permanent Secretary, Ministry of Trade; Mr Phillip Williams, Director, Export Promotions; and Mr Russell Kellman, Permanent Secretary, Civil Aviation.

With Labour Minister Mahabir at the talks were Dr. Eric Bobb, Governor of the Central Bank; Mr Reginald Dumas, of the Ministry of Foreign Affairs and Mr. Frank Rampersad, president-designate of NHTERST.

Dominican Trade Mission

Port-of-Spain TRINIDAD GUARDIAN in English 13 Feb 85 p 3

[Text] A five-member trade mission from Dominica held talks with the Ministry of Industry and Commerce and several organisations with a view of re-establishing trading links and achieving reciprocity of trade between the two countries.

The team met yesterday with the Export Development Corporation (EDC) following which it held a news conference at the EDC's headquarters, corner of Sackville Street and Richmond Streets, Port-of-Spain.

The mission is led by Senator Charles Savarin, Minister of Trade, Industry and Tourism and includes Francis Riviere, Trade and Industry Officer; Phillip Nassief of Cominica Coconut Products Ltd.' Serge Sable, Chairman of Carib Spring Water and Lucif Nixon of Petite Caribe.

The mission also held discussions with members of the Central Bank, the Trinidad and Tobago Chamber of Commerce and the Minister of Labour and the Trinidad and Tobago Manufacturers' Association.

Up to the third quarter last year Dominica exported in excess of EC\$9 million worth of goods to this country while for the same period Trinidad and Tobago exported in excess of EC\$5 million worth of dollars to Dominica.

"The exercise was extremely useful in understanding the operations and we believe we created the understanding as it applies to the situation in Dominica," Senator Savarin said.

"We are building the atmosphere for the growing creation of expanding trade. Exporters of Trinidad and Tobago goods to Dominica have no official barrier," he said.

But Dominica got "cut up" when Caricom trade became bogged down with licensing practices. His country understood this country's restrictive policy.

Senator Savarin said he would like to see an increase in the purchase of steel rods, flour and confectionery by Dominica from Trinidad and Tobago. There was room for almost doubling the purchase of Dominica toilet soaps by this country coupled with the introduction of spring water, most of which Trinidad imports from France, Belgium and Holland.

According to Senator Savarin, there is a range of competitive and quality products, which this country can purchase from Dominica, including candles, handbags, slippers, fresh fruit, exotic fruits, preserves, jam and jellies.

Trinidad's Minister of Industry and Commerce said he was prepared to look into the matter "and that is encouraging, because politicians are good with negatives. If they do not intend to pursue a matter, they will indicate this to you," Senator Savarin said.

While the problem of reduced trade, according to academics, was political in nature, Senator Savarin, suggested that the difficulty might have stemmed from perceptions. "That is the purpose of the mission--to foster a better understanding."

Additional Remarks by Saverin

Port-of-Spain EXPRESS in English 13 Feb 85 p 41

[Excerpts] The five-member Dominican trade mission, which leaves Trinidad and Tobago today after a three-day visit, has expressed high hope that Trinidadian exporters and manufacturers increase the volume, value and complexity in the articles of trade entering Dominica.

This information was relayed to reporters by Charles Saverin, Foreign Minister of Dominica, at a news briefing at the offices of the export Development Corporation in Port of Spain yesterday.

Saverin further pointed out to reporters that Dominica recently started to import flour, confectionery and other goods from Trinidad and Tobago but added he believed there was room for the double expansion of Dominican toilet soaps and spring water into the Trinidadian market.

Saverin also indicated that the Dominican market was open and available. "We do not buy or sell as a Government nor do we put impediments to trade. We are looking at the question of reciprocity where the Dominican producer can come to Trinidad and seek to sell," he said.

Saverin said that the mission, which came to Trinidad and Tobago in a move to redress the trade balance situation between the two countries which is in favour of Trinidad and Tobago, understood and was seeking to manage the situation involving the foreign exchange requirements in Trinidad and Tobago.

Speaking with reporters after the press conference, Oscar Alonso, chief executive of the EDC, said the mission has given the assurance that there would be no barriers to hinder the exportation of goods from Trinidad and Tobago to Dominica. But he pointed out that the mission identified the required EC-0 approvals in Trinidad and Tobago as an impediment to Dominican exporters.

Mahabir Assessment

Port-of-Spain EXPRESS in English 12 Feb 85 p 48

[Article by Leonard Robertson]

[Text]

A DOMINICAN delegation currently in Trinidad and Tobago pointed out yesterday there were a number of soaps from extra-regional sources in Port of Spain supermarkets and has requested a larger intake of that commodity from Dominica.

They also requested that Trinidad and Tobago take an interest in their mineral water, fruits, fruit juices and vegetables.

A random check through supermarkets in Port of Spain convinced the Dominicans that there was room for an increase in the amount of soaps which their country could supply to Trinidad and Tobago. Foreign Minister, Charles Saverin, head of the delegation said.

Saverin, made the point during talks with Labour Minister, Errol Mahabir, and Industry and Commerce Minister, Desmond Cartey, at Riverside Plaza, Port of Spain. Also in the Dominican delegation were Francis Riviere, Trade and Marketing Officer in the Department of Trade, Industry, Tourism and Caricom Affairs; Phillip Nassief of the Dominican Industrial Development Corporation and Dominican-born, Trinidad-based businessman, Eucief Nixon.

Apart from Cartey and Mahabir, the Trinidad and Tobago delegation included Astil Salandy, Permanent

Secretary in the Ministry of Labour; Reynold Rampersad, Permanent Secretary in the Ministry of Industry, Commerce and Consumer Affairs and Cecil Wyke, special advisor to the Ministry of Industry, Commerce and Consumer Affairs.

Rampersad told reporters following the meeting the Dominicans wanted to explore the possibilities of increased trade, but had failed to produce evidence to support their contention that there was a decrease in purchases from Trinidad and Tobago by Dominica.

Mahabir took the opportunity to remind the Dominicans of Trinidad and Tobago's commitment and generosity to its Caricom partners, but informed them that the policy had to be reviewed in the light of the country's changed revenue situation. He pointed out that the balance of trade situation between the countries had deteriorated from a Trinidad and Tobago viewpoint as our exports to Dominica had declined drastically.

Mahabir referred to the Nassau Accord and reminded the visitors that all member states had agreed to take steps to restore intra-regional trade, but so far this had not been done. The possibility of counter trade between the two countries was also explored.

Saverin and his delegation were due to meet with Richardson Andrews of the Industrial Development Corporation yesterday evening.

CSO: 3298/419

INTER-AMERICAN AFFAIRS

CARIBBEAN TRADE WITH BRITAIN SHOWS EXPORTS INCREASE

Port-of-Spain TRINIDAD GUARDIAN in English 9 Feb 85 p 4

[Text]

BRIDGETOWN, Fri., (Cana):
TWELVE Caribbean Community (Caricom) member states together earned an additional 132.9 million pounds (\$398.7m TT) from exports to Britain during the first 11 months of last year, compared with 1983, according to official statistics released here today.

The figures from the British High Commission put the total sales to the UK of the 12 — Trinidad and Tobago, Jamaica, Guyana, Barbados, Bahamas, Saint Lucia, St Vincent, St Kitts-Nevis, Montserrat, Grenada, Dominica, Antigua-Barbuda — between January and November last year at 402.03 million pounds. The 1983 figure was 269.4 million pounds.

Trinidad and Tobago turned in the best performance virtually tripling its exports to Britain from 55.2 million pounds for the 11-month period in 1983 to 151.3 million pounds last year.

Barbados share nearly doubled from 11.8 million pounds to 22.4 million pounds in 1984. Also registering increases were Guyana 16 million pounds, Bahamas 9 million pounds, Dominican 3.1 million pounds, Grenada 500,000 pounds, St Kitts-Nevis 1.3 million pounds, Saint Lucia 6.7 million pounds, St Vincent 2.3 million pounds.

Jamaica recorded a decline to 76.8 million pounds from the 88.6 million pounds of 1983.

Also showing a decline were Montserrat 100,000 pounds and Antigua-Barbuda 800,000 pounds.

The same dozen Caricom states imported 107.6 million pounds more goods from Britain over the same 11-month period last year, compared with 1983. The rise was from 348.9 million pounds to 455.9 pounds.

The Bahamas absorbed a whopping 193.2 million pounds more British exports — in all 216.1 million pounds compared with 16.5 million pounds between January and November 1983.

CSO: 3298/419

19 March 1985

INTER-AMERICAN AFFAIRS

BRIEFS

MEXICO, PERU FISHING TREATY--The participation of Mexican fishing trawlers in Peruvian fishing grounds will promote the creation of a fleet with the characteristics of those boats, which this country does not yet have, said Fisheries Minister Ismael Benavides yesterday. He indicated that this practice will begin immediately, now that the two countries' ministries have signed a fishing exchange agreement. Its contents will be revealed next week. Without going in to details, "since they will be considered in the document," Benavides stated that the joint venture will involve Peruvian crews working on board the Mexican vessels. He indicated that because anchovies and sardines grow in Mexican waters, that country will provide technological research assistance to Peru with regard to those species. The pact covers technical and scientific exchanges and the training of personnel. [Text] [Lima El COMERCIO in Spanish 31 Jan 85 p A-4] 8926

CSO: 3348/368

ANGUILLA

BRIEFS

PORT EXPANSION--Basseterre, St. Kitts, Saturday, (AP)--A US \$500 000 expansion project for Anguilla's only commercial harbour at Road Bay has been approved by the European Economic Community, the Government reported Thursday. The project includes construction of a new jetty and access bridge, extension of the existing berthing platform, and construction of a two-storey customs and administrative building. A Government statement said the expansion will permit the harbour to accommodate up to three 1 800-ton vessels at a time. It is also expected to speed up loading and unloading of cargo, and encourage expansion of hotels and related industries, the Government statement said. The project was approved following completion of a technical and economic study, also financed by the EEC. Work on the harbour expansion is expected to begin shortly, with completion targeted for the end of this year, the Government statement said. [Text] [Bridgetown SUNDAY ADVOCATE in English 27 Jan 85 p 3]

CSO: 3298/396

ARGENTINA

PROVINCIAL GOVERNOR TAKES STAND AGAINST CENTRAL BANK

Bahia Blanca LA NUEVA PROVINCIA in Spanish 29 Jan 85 p 3

[Text] Buenos Aires--The governor of Entre Rios, Sergio Montiel, made the "serious political decision" not to remit funds owed to the Central Bank so that the province could "lend financial assistance to producers." He announced that in February "we will have to go out into the street to celebrate" the measures the national government will adopt with respect to the financial system.

The Radical governor also severely criticized the directors of the Central Bank, claiming that the intermediate levels of the monetary institution's bureaucracy "are still dominated by the officials left over from the disastrous Martinez de Hoz era."

In statements he made over the radio, the Entre Rios leader explained yesterday that he made the decision "fully aware of the seriousness" of its consequences. He emphasized, however, that it was a "political decision" made "in order to continue meeting the needs of our producers who are working the land."

In explaining the background of the case, Montiel said that "at the end of the year we were informed that we had to return a credit of 900 million pesos to the Central Bank, a figure that had been debited to our account. That created a difficult situation for us."

"Then I made the political decision to instruct the Bank of the Province of Entre Rios not to send that money, so that we could continue meeting the financial needs of our small and medium producers," added the governor.

He said later that "my province has not made any major financial claims against the national government," and added that "the Bank of the Province has been performing in an exemplary manner."

The governor added that at the appropriate moment "we did request that the entity be capitalized, and we sent the background information to the Central Bank, but so far we have not received any response."

"That, and another series of circumstances that I cannot think of at this moment, led us to decide, fully aware of how serious a step we were taking, not to send the owed sum to the Central Bank," explained Montiel.

Going into more detail about his attitude, the governor indicated that "we could not allow producers in our province to go without financial assistance," which is necessary to carry out their agricultural functions.

Montiel explained later that the "president of the Bank of Entre Rios had already talked to the Central Bank authorities," and stated that, in addition, "I explained the measure I had taken in detail to the minister of economics."

Montiel, in statements made in his province, also indicated that the decision "comes up against those officials who are serving interests other than those of the nation."

"We are determined to remain firm in this position and to carry it to the end," he added, "because we know that in this way we will oppose the interests that have always undermined the republic."

Montiel asserted that "it is the desire of President Raul Alfonsin, Economics Minister Bernardo Grinspun, and all political men who govern the republic, to defeat these interests once and for all and to put our finances at the service of the economy, not the other way around."

The Entre Rios leader concluded that "major innovations in financial policy are expected for the month of February, and the men and women of this country will certainly have to go out into the streets to celebrate the measures the government will take to put an end to the things that have been done."

Official Explanation

Parana---The government of Entre Rios has decided to take the 900 million pesos it is supposed to pay to the Central Bank as part of the 4 billion pesos it owes that entity, and lend it to producers through the provincial bank.

This was the explanation given at the governor's office of the words spoken by Governor Sergio Montiel when he announced the decision in Charruas the day before yesterday and justified it on the basis of the problems he has been having with the Central Bank.

On that occasion he claimed that the intermediate echelons of the bank are "still dominated by officials left over from the disastrous era of Diz and Martinez de Hoz."

The 900 million pesos were supposed to be sent in by the provincial government last December, but in view of the Central Bank's failure to respond to requests from Entre Rios to facilitate loans to producers, the government made that "serious and far-reaching" decision, in Montiel's own words.

In reply, the Central Bank decided to hold onto a similar amount in its vaults (which, according to provincial sources, had been reduced to 700

million pesos by last 7 January) as a means to exert pressure to turn over the funds.

Montiel will be in the federal capital today, and he is expected to discuss the situation with national government officials.

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CSO: 3348/367

ARGENTINA

FIRST INFLATION REPORTS AT ODDS WITH IMF COMMITMENT

Buenos Aires MERCADO in Spanish 24 Jan 85 pp 13-14

[Passages enclosed in slantlines printed in boldface]

[Text] A few days ago an experienced economic analyst was complaining to MERCADO somewhat dispiritedly: "It's useless; when you sharpen your pencil you meet head on with reality." This statement referred to an issue to which the government has not yet been able to find an effective solution: inflation. The economist's concern was totally justified, since at this point in January, with the cost of living rising at a clip of 20 to 25 percent according to the preliminary figures, the fact is, /treasury authorities will not be able to meet their commitment to the International Monetary Fund to attain a level of 300 percent between October 1984 and September 1985./

/If inflation were just 20 percent this month, in order to meet the agreed upon target the monthly rate of price increases for the rest of the year would have to be 7.8 percent,"/ calculated another economist in his office on Reconquista Street. This fact, which means that a promise will have to go unfulfilled, has a dual negative impact: It creates very undesirable expectations on the part of lenders, and it puts the economic team itself at a disadvantage because of the lack of the necessary confidence and credibility.

There is one question, however, that is still difficult to answer, at least in light of the sparse economic data available to the public: /What is the cause of this persistently high level of inflation, especially when strict compliance is being enforced in fiscal accounts, the domestic assets of the Central Bank and the level of international reserves?/ Primarily, it is the fact that last December /the money supply grew at a rate of 25.6 percent, compared to an increase of 22.9 percent in wholesale prices, due to transfers made to state-run enterprises and the famous monetary regulation account,/ whose fate has not yet been finally decided. In addition, despite the payment of the bonus, much of the population set aside the money to save up for vacations or future expenses, in short-term deposits in the financial system.

Thus, when that money was put into circulation it produced a stampede of prices, particularly food prices, and that factor, added to the negative impact sure to be caused this month by the additional expansion of the money supply, will be reflected in a 20- to 25-percent rise in the cost of living,

as the preliminary estimates indicated. For this reason, many economists today /are predicting a new high in the rate of price increases, which will reach an annual level of about 450 percent in 1985./

Pressures

This level, they explain, justifies a series of requirements contained in the agreements with the IMF to renegotiate the foreign debt, and is also in keeping with the need to correct certain distortions. To arrive at the conclusion of a 450-percent rise in the cost of living, /the analysts have taken into account the periodic increase in the exchange rate, which averages 23 percent; the fact that the level of fees and fuel prices must be kept above the inflation rate (the agreement with the IMF called for a 10-point real increase for 1984, which we were unable to accomplish); and the fact that in 1985 there will be a heavier tax burden and the demands by the different sectors for wage increases will continue./ On the latter point, it is generally agreed that in January alone there has already been an increase of 20.84 percent in the wages of civil servants and employees of firms that followed the government's guidelines. No less important will be developments in interest rates, which will depend on domestic prices and /the handling of the so-called "quasi" fiscal deficit, which in 1984 reportedly absorbed 52 percent of the money supply./

Although the inflationary target agreed to with the IMF is just an estimate, it is, nevertheless, taken into account in the establishment of the monetary aggregates that will make it possible to meet the goals for a variable that is of the utmost importance to the international organization: the level of domestic assets. This is the key to keeping international reserves within the target for strict compliance, as well.

/Regarding domestic assets, the Central Bank should be able to meet its commitment, since it is estimated that within IMF-imposed limits of 884.5 billion pesos, by June of last year a total of 507.2 billion had been attained./ Similarly, we are also in line with the targets for net international reserves (see table). Another agreement with the IMF was /a cap on public sector spending, with a target of 343.5 billion pesos for the second half of 1984. By that point a total of 328.6 billion pesos had been spent, a difference of 14.9 million in favor of the government./

Returning to the topic of inflation, other interesting facts are that between October (the month when the agreement with the IMF began) and December of last year, the growth of retail prices totaled 64.17 percent, while that of wholesale prices totaled 62.58 percent. /"Thus, again based on an optimistic estimate of an inflation rate of 20 percent for January, in just 4 months we used up nearly a third of the goal promised in the memorandum of understanding; in other words, we reached a cumulative inflation rate of 95 percent,"/ responded the economist whom we consulted.

Central Bank's Domestic Assets Targets
(in billions of pesos)

June 1984: Reserves (6,769) x exchange rate of 51.242	346.9 pesos
Money in circulation	<u>160.3</u>
Total	<u>507.2</u>
December 1984: Reserves (8,850) x exchange rate of 51.242	453.5
Money in circulation	<u>470.8</u>
	924.3
Excess	39.8
Total IMF limit	<u>884.5</u>

Targets for Net International Reserves
(in billions of dollars)

Date	Level
December 1983	-6.383
June	-6.769
December 1984	-8.850
March 1985	-9.570
June	-9.450
September 1985	-9.650
December 1985	-10.650

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CSO: 3348/367

ARGENTINA

RIO NEGRO PROVINCE TO WELCOME HINDU SETTLERS

Bahia Blanca LA NUEVA PROVINCIA in Spanish 27 Jan 85 p 4

[Text] New Delhi--The relocation of settlers from India in Rio Negro and Salta is one of the concrete results obtained from President Raul Alfonsin's visit to this country, according to the leaders of those provinces, Oscar Alvarez Guerrero and Roberto Romero, the only governors to be included in the delegation that accompanied the chief of state.

The two governors participated in all the meetings Foreign Trade Secretary Ricardo Campero and International Economic Relations Secretary Jorge Romero held here with Argentine trade advisers in Southeast Asia, to discuss a strategy that will enable Argentina to increase its exports to that region by 40 percent in the near future.

Alvarez Guerrero stated that in terms of the exchange of technology, Rio Negro has a very important role to play "because it is the site of the most important atomic energy and nuclear physics research and development facilities in Argentina, perhaps in latin America."

He explained that "we met here with import and export businessmen in the private sector in an effort to find ways to streamline our trade with them."

He pointed out that "one other aspect is irrigation, in which the Indians are very interested. They are developing new technologies, because this country needs such systems."

"Specifically," he concluded, "we have made some offers, and we are interested in the area of fishing, and in the establishment of settlements along the long coast of Patagonia."

Romero reported that "there was a meeting with the Ministry of Agriculture to arrange a visit by an Indian delegation to Salta to look into establishing settlements in agricultural areas, which is what they are interested in, primarily to harvest lentils, pigeon peas and all kinds of grains."

The governor emphasized that "there is good reason to arrange this visit," and he confirmed the feasibility of the project.

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CSO: 3348/367

ARGENTINA

SITUATION, PROBLEMS IN AGRICULTURAL SECTOR REVIEWED

Port Problems Discussed

Bahia Blanca LA NUEVA PROVINCIA in Spanish 26 Jan 85 p 8

[Text] Officials of the National Grain Board (JNG) acknowledged deficiencies in the operations of the port of Ingeniero White during this season, but they predicted that the situation would return to normal within about 20 days. They also announced that over the next year the problems in elevator number 5, whose loading gallery has been operating at reduced capacity since the explosion there in 1977, will be solved.

Francisco Tejerina, a member of the JNG board of directors, and Carlos Balduzzi, elevator operation manager, spent the day touring the port facilities, discussing with local authorities the problems involved in receiving and shipping goods. Last night, at the Association of Grain Suppliers, they debated these issues with leaders and members of that organization.

In a visit to our offices, Tejerina also stated that bidding would soon begin on the engineering specifications for the port expansion projects, which will be paid for with a World Bank loan. He virtually ruled out the acceptance of the Soviet proposal for that project.

Tejerina also said that the bumper harvest of fine grains is causing problems. "For the next 20 or 30 days there will still be major problems," he warned, indicating that Ingeniero White "is not in the best conditions for optimal performance. A great effort is being made to ship as much grain as possible, and to exceed the totals for January of last year."

He noted that there have been delays of about 2 weeks in the arrival of exporters' ships, "which made the port fall behind a bit in its work. That is not the fault of the Grain Board."

He added that when the three available sites at Ingeniero White come on line, the problems will gradually be solved. He admitted that it is "somewhat late" to begin operations at the three sites, but he justified it by saying that "there has not been a great abundance of warehouses, either." He also explained that "this does not depend exclusively on the Board, but also on other departments."

Balduzzi stated that the Board had formulated a plan with the Administration of Ports and Port Construction that called for all projects to be completed before 1 January, when the new harvest would begin to come in. He said that a few problems arose to delay the dredging operations.

"The problem at the port has not been because site 7-8 was not available," he asserted, but because the expected arrival of ships, "on which we had based our preparations for incoming truck and rail shipments of goods, was delayed a couple of weeks, leading to bottlenecks in the mobilization of grains."

Coarse Grain Harvest

"Within 20 days, approximately, we expect the situation to return to normal," said Tejerina. He added that "what we are much more concerned about is the problem of storing coarse grain, especially sunflower seeds, because all the available sites in the area are full. The port will do everything possible to get the harvest shipped out and to prevent any problems that might arise throughout the year as a result of the expected bumper harvest of coarse grains."

Tejerina stated that the first grain to be sent by suppliers to Ingeniero White is wheat, which is being stored outside to prevent damage.

Balduzzi reported that on 5 February the JNG officials will meet with suppliers and milling industry officials in Buenos Aires for the purpose of coordinating the shipment of the remaining wheat to the JNG's ports and underground silos, so that there will be enough room to store the coarse grain harvest.

He said that trains will be coordinated with Ferrocarriles Argentinos to transport the JNG's grains, in a system similar to what is used in the private sector today.

Balduzzi indicated that the railroad "has cooperated this year by making available 2,400 train cars in the area of Bahia Blanca," and that in 1984 the record was broken for the number of cars devoted to grain transportation to local ports.

He noted that "our policy is to give priority to rail transport so that all the ports can be supplied by rail as much as possible; that mode gives the producer the best price for his grain, because the freight charges are the cheapest."

As for the Grunbein underground silo plant, Balduzzi stated that not all the spaces are in good condition.

Upcoming Projects

Then Balduzzi announced that the JNG is undertaking a project "that will certainly be finalized this year" to repair the damages caused by the explosions in 1977.

The gallery that was destroyed will be repaired, and the rate of transfer between the two elevators will be increased. This will improve the loading operations at site 9, the best of all the docks.

When asked about the possibility that the JNC will set up a purchasing office in Bahia Blanca at the request of the Grain Exchange, Tejerina answered that the directors are considering the request.

He also stated that Bahia Blanca "is the port that deserves the most attention from authorities," and announced that this year bidding will be held for the engineering specifications for the remodeling and expansion of the port. A World Bank credit will be used for this purpose, part of which has already been used for the construction of silos in the northeast and northwest of the country.

Tejerina admitted that the Soviet proposal to carry out those projects has been virtually rejected.

Finally, he indicated that the Board has not received any formal complaints about the alleged irregularities on a shipment recently made from Ingeniero White, but it is willing to take action on its own initiative in the case. He also explained that there have been no directives from the agency's top officials to restrict the information provided to local journalists, and noted that it was all due to a misunderstanding.

Storage Problems in Stroeder

Bahia Blanca LA NUEVA PROVINCIA in Spanish 26 Jan 85 Suppl p 2

[Article by Ricardo Ariel Carlovich; passages enclosed in slantlines printed in boldface]

[Text] Stroeder--In the agricultural history of this region south of Buenos Aires, /harvests equal to those of the 1984-85 season have never been seen./ The harvest averages between /35 and 40 sacks per hectare./ Thus, local residents are having a marvelous time, and what is even better, the future looks promising. But the purpose of this article is not to detail the economic achievements of certain individuals, but rather to pose an disturbing question about /the future of the grain that has been harvested./

Until this year, the wheat grown in this region was completely absorbed by the silos and warehouses that had been built throughout the area.

Faced with excellent prospects, in mid-1984 farmers, the local cooperative and suppliers contracted for those storage systems. The infrastructure will not be able to meet these needs, however; throughout the area, criticism is being aimed at the National Grain Board.

Unforeseeable?

According to surveys conducted between 1950 and 1960, the agency that regulates our agricultural production /stipulated an average of 20 sacks per

hectare,/ so its grain elevator plant at Stroeder stored /11,000 tons/ a year.

But what the official organization did not know at the time was that the region would undergo climatic changes 20 years later, with the average annual rainfall of approximately 450 millimeters in the 1970s climbing to 1,450 millimeters between 1983 and 1984. This brought about drastic changes in the climate, and therefore in production.

Private or State Activity?

One thing is certain: Neither suppliers nor the National Grain Board--separately or together--can meet the storage needs of wheat production with the existing infrastructure.

The key to this issue is that no one can deny the social function served by that state entity, nor can there be any doubt about the economic benefits producers obtain through private associations and cooperatives.

Both sides, however, have failed to make preparations to deal with the potential of the Stroeder area and its rural sphere of influence.

The government does not have enough railroad cars to transport the wheat from its silo plant. It would have had to move the wheat in and out to keep enough space available.

New, reliable private storage facilities are also lacking, however, in view of the needs we have pointed out. Given this situation, in which effective measures that go beyond the present, obvious circumstances, farmers and rural residents in general are asking: Where are we going to put our wheat?

Port Expansion

Bahia Blanca LA NUEVA PROVINCIA in Spanish 26 Jan 85 p 2

[Passages enclosed in slantlines printed in boldface]

[Text] Buenos Aires--The National Grain Board has formally invited consortia of national and international consulting firms to participate in preselection bidding to provide preliminary data for the study of engineering specifications for the /remodeling and eventual expansion of the Bahia Blanca port facilities./

The invitation was issued on instructions from the grain storage project committee, and marks the beginning of the process that will provide Argentina with a deep-water port. Such a facility is indispensable to streamline and improve the shipment of agricultural exports, primarily grains.

The engineering study will be financed in part by a loan from the International Bank for Reconstruction and Development (World Bank), and consortia of two or more consulting firms, national or international, may submit their preselection bids by next 18 March. The Grain Board has agreed to decide on the preselected consortia by 18 June of this year.

The projects to be carried out at the port of /Ingeniero White/ basically entail dredging for piers and sea access; the modification of the railroad and highway accesses and of the facilities for receiving grains, oil seeds and byproducts; the remodeling of the existing storage and handling facilities; the construction of shipment facilities and services for ships; and the placement of buoys.

/Statements on this subject by Francisco Tejerina and Carlos Balduzzi, officials of the National Grain Board, appear on page 8./

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ARGENTINA

ENERGY SECRETARY REVEALS NEW GAS PIPELINE PROJECT

Bahia Blanca LA NUEVA PROVINCIA in Spanish 25 Jan 85 p 3

[Text] Buenos Aires (NA)--Yesterday, the energy secretary, Conrado Storani, disclosed that a "price bidding competition" is already under way among the foreign companies which have expressed an interest in participating in the purchase of Argentine gasolines, the exporting of which will be implemented starting this year.

Storani went on to say, "now we have excess gasolines," adding, "the refineries are producing larger volumes," and therefore "our leftover amounts are exportable."

With regard to the matter of the gas pipelines, the energy secretary pointed out that a study is being made of the possibility of building one this year that would connect Loma de la Lata and Bahia Blanca.

He also declared that the west central gas pipeline "needs to have its transportation capacity expanded," which would consist of adding "four or six compressor stations."

Moreover, Storani reiterated that there is no oil in the Malvinas Islands, because the studies conducted in the area by the state oil company, Government Oil Deposits (YPF), which gave negative results, "are geologically valid."

The official made these statements to Argentine News, and agreed with the head of YPF, Hector Fiorioli, who a few days ago questioned the existence of the hydrocarbon in the Malvinas archipelago.

In this connection, Storani claimed that "we are using as a base" the investigations carried out in the area by YPF, because "they are the ones which are geologically valid," although he did not preclude the fact that there might be oil on the underwater platform.

With respect to the exporting of gasolines, in addition to by-products, which is planned for 1985, the Radical leader stressed that it would occur thanks "to the efficient substitution of fuels" made by the present government during 1984.

He added that "the use of hydroelectric power and nuclear electricity" combined with a "10 percent increase in the use of gas" brought about "a selective change in the energy supply," which was accompanied by "savings of liquid fuels."

Concerning the dispute with the Dutch firm Cogasco, which is in charge of the gas pipeline operation, Storani explained that the company "did not make the necessary expansions," and therefore "we are now dealing directly with the government of the Netherlands."

On a different topic, Storani commented on the oil policy's contribution to the country's development, and cited the importance that the 5-year energy plan devised by the government attaches to the issue of energy.

2909

CSO: 3348/377

ARGENTINA

BRIEFS

SOVIETS TO SUPPLY TURBINES--Buenos Aires--HIDRONOR [North Patagonia Hydroelectric Company] has awarded to the consortium known as Argentine Builders Union the construction of the civil projects for the Piedra del Aguila dam to be built in Neuquen Province. That group submitted the lowest bid, which was for 2,494,863,611 pesos. The consortium is comprised of the firms Jose Cartellone, Inc, with 19.25 percent; Conevial, Inc, with 19.35; Impregillo Sollazo, Inc, with 19.35; Supercemento, Inc, with 19.35; Sollazo Brothers, Inc, with 12.60; and Impregillo, S.P.A. of Italy, with 10 percent. Cesar Garcia Puente, head of HIDRONOR, said that a total of 10 bids had been received. The projects will begin in early February, and the undertaking will make it possible to increase the area under irrigation in the Comahue zone up to 10 times, in addition to its hydroelectrical production. Some of the companies belonging to the consortium which received the award were responsible for the construction of the El Chocon-Cerros Colorados complex. Piedra del Aguila will be built over the Limay, about 160 kilometers, in a straight line, north of Bariloche, and about 200 kilometers west of the Neuquen capital. In its first phase, it will produce 1.4 million kilowatts, using four generators of 350,000 kilowatts apiece; and in its second phase it will attain 2.1 million kilowatts. The cost of the projects is approximately \$1.2 million, and it will be financed with a loan from the Inter-American Development Bank [IDB] amounting to \$420 million, which will cover a third of the total cost. This is the largest loan ever granted by the IDB in its 23 years of existence. The suppliers will provide funds amounting to 15 percent, while the remaining 52 percent will come from funds of the national government and HIDRONOR. Garcia Puente noted that the first generator should start producing electricity in 1990. Two of the turbines will be constructed by the Soviet enterprises which are also participating in the project; while the other two will be entrusted to the consortium made up of Cometarsa and Pescarmona Metallurgical Industries. [Text] [Bahia Blanca LA NUEVA PROVINCIA in Spanish 26 Jan 85 p 3] 2909

ITALIANS FINANCE THERMOELECTRIC PLANT--Buenos Aires (DYN)--Yesterday, representatives from the Banco di Napoli [Bank of Naples] met with the minister of economy, Bernardo Grinspun, reportedly confirming to him the granting of a loan of \$35 million to finance the final phase of the Bahia Blanca thermo-electric powerplant. The loan was requested by Minister Grinspun during his recent stay in Rome, where he took part in a seminar of the North-South Committee associated with the debt problems of the developing countries.

Editor's Note: The granting of this loan could mean relief for the financial problems that have been occurring in connection with the construction of the Luis Piedra Buena Thermoelectric Powerplant by White Engineer. According to reliable sources, the Buenos Aires Electric Power Administration (DEBA) has accumulated a debt exceeding \$10 million to the consortium in charge of the work. Consequently, the companies have been putting up with difficulties that have been reflected in a slower construction rate. For this reason, the trade union sectors charged a few days ago that the stability of about 1,000 workers employed on those jobs was being jeopardized. Last night, the local UOCRA [Construction Workers Union of the Argentine Republic] announced that the hearing granted by Governor Armendariz to a union delegation, to discuss the problem, had been postponed until Wednesday at 1700 hours. At first, it had been planned for Monday. [Text] [Bahia Blanca LA NUEVA PROVINCIA in Spanish 26 Jan 85 p 2] 2909

CSO: 3348/377

TEXT OF ADAMS, CHELTENHAM SPEECHES TO BLP CONVENTION

Adams Address

Bridgetown THE NATION in English 21 Jan 85 pp 10-11, 16

[Speech by Prime Minister Tom Adams at the 46th conference of the Barbados Labor Party in Bridgetown on 22 January 1985]

[Text]

AS we approach the final period of our second term of office, it is with great pleasure, and with a sense of accomplishment, that I address this conference today as leader of the parliamentary party and Prime Minister.

You may recall that, when I spoke to you at our 45th Annual Conference last year, I thanked the thousands of Barbados Labour Party members who had supported the Government's decision to preserve democracy in Grenada.

Recent elections in that island have happily seen our efforts bear fruit, and we can be proud of our party and our country's part in this important historical event.

On the domestic scene I must also use this occasion once again to thank you, the party's workers, for your help and support in last year's by-elections in St. Peter. The party and Government have once again shown that even in the face of criticism we are not afraid to take decisions of principle, and that this applies to local matters as well as to national and international affairs.

The result of the second by-election shows that, despite the forebodings of the fainthearted, the people of Barbados will support what is right and fair.

Owen Arthur's victory in November owed something to improved canvassing and organisation over the July campaign; it may even have owed something to the admiration excited by the

Government's forceful programme of flood relief — although the districts which changed most in our favour, Indian Ground and Six Men's, did not share in the flood relief programmes.

But the victory owed a great deal to the ordinary voters of St. Peter who realised that Owen was deprived of the seat in July despite his having majority support, and who came out in their numbers to put that majority support beyond doubt when they were given a second chance by the court's decision.

And I want to say a word about the July by-election. The party was disappointed at that time, mostly, I think, because we came so near and yet appeared to fail. Few of us saw that for a governing party to achieve equality, or near equality at a by-election in Barbados, was a stupendous, virtually unprecedented feat.

WORD OF WARNING

We should have seen that even the July result was a vote of confidence in the Government's handling of its duties to the country. We all recognise that the November vote was such, but I would sound a word of warning. Our cup of happiness is now so filled to overflowing that we must heed, lest we turn confidence into over-confidence.

We must maintain an even keel in the electoral waters into which we are now sailing.

In fact, I have always followed a golden rule of running scared in politics. Take nothing for granted. Shots come at you from all sides and you need as much skill and determination to stay on top as to get there.

Lewis Carroll said that politics was the game in which it takes all the running you can do to keep in the same place. If we follow this we cannot go too far wrong.

Still, this is certainly a far cry from what, nearly ten years ago to the day, I told our 1975 annual conference about members' lack of confidence. I declared then: "Our party seems bewildered and afraid to believe the extent of public confidence that we can and will take over". In less than two years we had indeed taken over, and here we are still as the ruling party.

Before I turn to what may be best described as domestic party concerns, I would wish to congratulate Dr. Johnny Cheltenham on his stewardship of the party's organisation in 1984.

During the past year, in his capacity as chairman, he has had to manage and mobilise the party machinery in what was a unique experience, unprecedented in modern politics in Barbados. I refer, of course, to the two St. Peter by-elections within the space of five months.

No wonder then that he was unanimously re-elected party

chairman at the first executive meeting last Thursday.

My thanks also to Dr. Waldo Waldron-Ramsay, who has put all his organisational skill to work in his capacity as chairman of the Conference Arrangements Committee, to make this our 46th Annual Conference a success. He too has been re-elected as public relations officer of the party.

GENERAL ELECTION

Now to matters relating to the next general election. Johnny Cheltenham has already referred to the contests among prospective candidates seeking nomination by constituency branches, and I wish to add that while the nomination of candidates is intended to be resolved by democratic means, it is my view that the systematic last minute solicitation and registration of members in an attempt to pad the vote at nomination meetings is not in the best interest of the Barbados Labour Party.

Candidates, whose present general political appeal can hardly be seen with the naked eye, pursue nominations as if nomination at all costs was all that mattered.

The energy that should go into fighting opponents goes into fighting each other. And the primary selection process at the constituency branch level, the means that we have developed to improve party democracy, becomes discredited.

This has been going on, at one or two branches each time, for several elections and it is time that it was stopped. I particularly deprecate the practice, which many people have alleged takes place, of persuading persons to join the party just to help an individual get a nomination whether those new members are true party supporters or not.

Those interested in representing constituencies where nominees have not yet been endorsed should be warned that this activity may not only divide and confuse our supporters, but that there is the added danger that such support as is gained may only be temporary.

I trust that all those seeking nomination will first consider the party's well-being.

But I would go further. It seems to me that a simple reform is needed. We should allow only those members who have been financial for some period of time longer than the immediate past, to take part in branch selections.

I urged the NEC to consider this matter at its next meeting and impose appropriate rules.

As we look toward the next general election we must not be complacent about the confidence thus far placed in us and must field the strongest team of candidates possible.

Sixteen of the party's 17 members of the House of Assembly will be seeking re-election in their present constituencies; further, Senator John Jordan has been endorsed as the candidate for St. James South and Senator Clyde Griffith for St. Michael North.

Much to the discomfort of the deputy leader of the Opposition, Lionel Craig will be seeking election in St. Michael South.

Lionel has served the people of St. James North long and well and after much consideration he had decided to run in St. Michael so as to strengthen the party's hand there.

The people of St. James are to be complimented for having repeatedly expressed confidence in Lionel Craig and I am sure they will exercise the same wisdom in electing another able member of this party — I hope a member of the Cabinet — to succeed him.

COMMISSION LAUNCHED

While on the subject of elections, I wish to announce that the members of the Electoral and Boundaries Commission have been appointed and the commission will begin functioning in the very near future.

The names of the members of the commission will shortly be officially announced, and we will then formally hand over the electoral process to that body.

There have been few episodes in the political life of Barbados more redolent of hypocrisy than the way in which the Democratic Labour Party voted in Parliament against the establishment of the Electoral and Boundaries Commission — the only instance of an opposition voting against free elections, according to the *Daily Telegraph* of London — and then criticised the Government for not having such a commission.

In the recent re-organisation of Government posts I announced that St. Clair Howell had vacated his seat in the Senate to assume other duties. Tony Howell, as we know him better, has been appointed to a temporary post of senior foreign service officer, in the diplomatic service of Barbados and will soon be serving our country in a senior post overseas.

I wish to thank him for carrying the party's flag against a formidable opponent in the general

election of 1981, and for his devoted service in the Ministry of Finance as a parliamentary secretary.

As we will be aware, consequent on his resignation from the Senate and Owen Arthur's election to the Lower Chamber, Herbie Yearwood and John Jordan were appointed to fill the vacant Senate seats.

I am heartened by their early commitments to matters of particular interest to them and I wish to take this opportunity to urge all members of the Senate, but particularly the Government senators, to demonstrate their commitment to political life and the life of the Upper Chamber by serious attention to debate on the matters that reach that chamber.

I regard the Government ranks in the Upper chamber neither as a dumping ground for unsuccessful candidates, nor as a repose to be adorned by faithful party hacks. Rather, I see the Senate as an important forum in which serious and valuable contributions can be made to national debates.

The members of the Senate representing the Government have all been chosen because of their qualifications, their service and potential service to the party, and because of my conviction that they all have contributions to make.

I therefore hope that they will live up to these expectations. I do not think it too much to ask members of the Senate, in future, to justify their presence there to a much greater degree.

LAW AND ORDER

In turning my attention now to national matters I will first address one of the major issues of the day, that of law and order. This has not only been a cause of concern to the Government, as an issue in itself, but also because of developments which, if allowed to be played out to the end, can do untold damage to the very fabric of Barbadian society.

In all my days in the political mainstream I have never known a more mischievous and dangerous politicisation of an issue as that currently being promoted by the Democratic Labour Party in an attempt to foster resentment and malice not only between the Defence Force and the Royal Barbados Police Force, but indeed between the police force and the Government.

No service is done to the cause of law and order in this country by seeking maliciously to exploit the just concerns of a distressed citizenry.

It is the lowest form of political sniping when a headless and nearly dismembered Opposition, bankrupt of ideas and consumed by envy and spite, and without cause for serious criticism of the Government, seeks to promote strife between the two principal law enforcement and security agencies in a country.

I wish to state now, for what I hope will be the last time, that the Government has no favourites in this matter.

We came to power on a programme that specifically stated that we saw no need for a defence force in Barbados. Within weeks of winning that election of 1976 however, we were faced with intelligence reports that an adventurer was planning to invade Barbados to reverse the verdict of the election. We were therefore forced to reconsider our position.

We examined plans, which the Democratic Labour Party had started to prepare while still in office, for the establishment of a defence force. We took a decision that such a force would have to be established.

If we were going to have second thoughts about such a decision they were firmly put to rest when we faced another invasion threat, and sitting in my gallery at home I was warned by the police and military authorities that the police force and the volunteer Barbados Regiment would be unable to repel an invasion by the 260 professional mercenaries then being recruited in Britain and France to attack the island.

Our friends abroad assisted us to avert the danger, but our resolution was hardened by the incident, and we made our minds up that Barbados had to have a small professional army to give us some independence of action in circumstances such as these.

It is against this background that the defence force was established and the existing coast guard expanded, and it was in this way that we came to have two security forces in the island.

It is not unusual for countries to have an army and a police force. Indeed nearly all countries in the world have both, usually with the army bigger than the police force, and most countries have more than one police force as well.

The Government of Barbados recognised that each of our force has a role to perform and that our duty is to see that in the execution of their duties they are both well equipped to do so. How did we find the police force and the Barbados Regiment and

coast guard, in terms of equipment, when we took over in 1976?

The regiment was much as it had been for years, but very considerable sums had recently been spent on the coast guard, which had been fitted out with a small fleet and a harbour which was in the process of a rapid silting up that has now provided Barbados with one of its better beaches.

The police force on the other hand had been starved of supplies for years. Its total vote in the current estimates for plant and equipment was \$41 000. The then Prime Minister, now leader of the Opposition, is on record as refusing to re-equip the police with motor cars.

He also refused to allow policemen to be paid a duty allowance to compensate for the fact that they were not enjoying the benefit of the 40-hour week introduced not long before for civil servants.

Total current spending on the police force then amounted to \$7.1 million, and on the regiment and coast guard to \$1.4 million.

After our party came to power the defence force was established on a fully regular basis in the circumstances I have outlined, and in the current year \$15.5 million has been voted to maintain it.

The coast guard wing has acquired new vessels and some construction work has been undertaken at the pierhead to provide facilities for them.

But the expansion in the police force, contrary to general public perception including that, I imagine, of most policemen including certainly the force's public relations officer, has exceeded that of the defence force by a considerable margin even although the defence force was starting almost from scratch and the police force was being built on a much larger base, that has existed for almost 150 years.

Current expenditure on the police force is \$23.1 million annually, \$26 million if we add immigration and process serving, services which the police were providing in 1976.

The increase since 1976 of defence force current spending amounts to \$14 million. That increase in spending on the police over the same period amounts to \$16 million with a further \$2.9 million being spent on the former police duties of immigration and writ-serving.

Spending on police plant and equipment has gone from \$41 000 to \$300 000 currently and will be over \$500 000 next year. A completely new police

station has been built at Oistins and there have been major additions to the CID.

It can therefore be seen that notwithstanding all the "distortions and inaccuracies" of those who oppose the Government and seek to beat it with a law and order stick, police force expansion has been moving faster than that of the Defence Force.

IMPROVED CONDITIONS

The figures do not reveal the whole story however, for apart from just spending more money on the police, this Government has considerably improved their conditions of service. You will recall that we abolished the rank of corporal in the police force, thereby improving the career prospects of policemen in the junior supervisory ranks.

We introduced the duty allowance, which Mr. Errol Barrow had refused as one of his last acts in office.

We expanded and diversified the range of police vehicles from normal patrol cars right up to the most expensive and sophisticated four-wheel drive vehicles available.

We spent more than \$¼ million to supply the force with an adequate number of portable radios, or "walkie talkies", that have recently had their share of publicity.

More training courses, especially for senior policemen, were introduced, and the senior ranks have benefited more from salary regradings than any other group of public servants.

I am therefore appalled when I hear the man, the leader of the Opposition, who refused equipment and allowances to the force, now tell the Government that has done more in a material way for policing in Barbados than any other Government in the island's history, that it has neglected the Royal Barbados Police Force.

There is one further point to be analysed in the leader of the Opposition's catalogue. This is his statement implying that so long as a competent, indeed expert, head of department advises on the needs of his department the Government must follow his advice.

This is a particularly dangerous doctrine, because it goes to the very root of political accountability and democratic government.

In colonial times, the wish and will of the Englishmen who sat in Government House, the colonial secretary's office and the desk of

the commissioner of police were supreme in their respective spheres.

I remember in 1953 as an undergraduate studying colonial government at Oxford University, being shown by my tutor a copy of a minute by the then Secretary of State for the colonies, Oliver Lyttleton, about, of all colonies, Barbados, questioning a proposal to put the subject of "police" into the portfolio of the premier in a scheme for ministerial government to be introduced into the island the following year.

The interest in the minute, and the reason why it was being used in a university tutorial, was that it set out very clearly the principles on which policing was maintained in a British colony, the most important of which was that the police were to be ultimately responsible only to the colonial office through the governor and not to local politicians.

This is our inheritance, and in many ways what we have made of it works well. There appears to me to be no political interference in police work, and the Commissioner of Police confirms to me that he has never had a minister of the present Government seek to intervene in any matter dealing with crime, arrest or other particular police duty.

The public like an independent police force and this Government likes it too. We are now an independent country and the police have their role, and we have ours, and ours is to allocate the country's resources between competing demands.

We were elected to exercise our judgement on behalf of the country, and I exercise my judgement every day on questions of finance, staffing of all Government departments and the various disciplined forces and a host of other matters.

I have been doing it for eight years, and observing others doing it here and elsewhere for longer. Thus, I have been able to come to the conclusions, in dealing with the disciplined forces, that before the defence force can be fully trained and effective as a fighting military unit, it may need at least another 400 men and much greater expenditure than at present on fuel and ammunition.

It probably needs much equipment, including helicopters. I have denied the defence force all this, with no fuss and no outcry, because I do not think that the country can at present afford the cost and because I do not see any threats to our external security at present that demand a fully trained and equipped force of battalion size.

If I were Prime Minister of Belize I would probably come to a different conclusion because of the threat to that country's

security.

If I were Prime Minister of Trinidad and Tobago I would come to a different conclusion because of the greater availability of resources in that country.

But in Barbados, I think there are other priorities. In dealing with the fire service for example, I have concluded that it is a much overworked service, spending considerably longer hours on duty than any other in public employment, and I am therefore increasing its numbers as soon as the lawyers can draw up the necessary documents.

With the police, I have already dealt with and presided over a greater expansion of the force than any other in its history; and I am guided in any further assessment of its needs by among other things the views of the ministry which controls the force, and the views of the Commissioner of Police; the knowledge of organisation that I have myself acquired in taking decisions on the personnel needs of the entire public service, and all the police corporations; my reading and analysis of the size of police forces elsewhere in relation to levels of population and of crime; and the extent to which existing numbers are efficiently used.

I was elected by the people of Barbados to exercise my judgement on these matters and if the people become dissatisfied with the way I exercise it they will no doubt express themselves accordingly.

What I will not do, either at the behest of the leader of the Opposition, or others, is to abdicate my responsibility to take decision, especially at a time of panic or tension.

It is maintaining a steady course in the face of adversity or pressure that characterises strong government, and the leader of the Opposition should not urge on others what, with all his faults, he seldom permitted for himself.

There is one other great principle on which I should touch, Mr. Chairman, one arising from the eloquent plea last Sunday from Father Hatch to the Government to use the defence force for police duties at this time.

It is my considered opinion that one of the greatest principles of that democracy which the English-speaking peoples have given to mankind, that of avoiding the use of an army in maintaining civilian law and order.

There is no surer way of preparing both a country and an army for military tyranny than involving the military in conventional police work. Grenada is the latest and most vivid example of this.

This is resisted by police forces everywhere that they are in a position to do so, and the Commissioner of Police in Barbados would, I am sure, be the first to put the case against use of the defence force in the way Father Hatch suggested, perhaps more eloquently than I could. Certainly Dean Crichtlow who is both a member of the Police Service Commission and a thoughtful commentator on police affairs has put it as well and cogently as it can be put.

As chairman of the defence board I have already given the Commissioner of Police the assurance of any technical help that the defence force can offer,

and that any request for further assistance will be sympathetically considered.

The general public may therefore rest assured that the defence force is not being held back from any role in which the police authorities may wish its help.

Having dealt with mighty principles, Mr. Chairman, it may seem faintly ridiculous to discuss allegations about walkie-talkie batteries. I therefore mention it only to show the sorry depths to which the law and order debate has descended.

BUREAUCRATIC BUNGLING

Can anyone seriously believe that this Government is either so inefficient or so wicked that it would spend \$800 000 on walkie-talkies for the police and then not spend \$8 000 on batteries for the same walkie-talkies.

Bureaucratic bungling is, alas, not the prerogative only for foreigners or even of my long suffering Ministry of Finance.

I say no more except to invite a higher standard of debate, and to call for a little more responsibility on the part of those appointed or allowed to do public relations for important departments of Government.

Finally on law and order, Mr. Chairman, an appeal to the public. We have recently suffered an outbreak of violent crime, apparently directed against a small but well-to-do minority.

My heart goes out to all who dwell in fear at night and I look forward, as we all do, to the apprehension of the violent and wicked people involved.

It was with very great pleasure that I authorised the officer of the reward this week which has recently been advertised in the media. But, in looking at crime in our country, we must

put it into perspective, and the perspective is that we are infinitely more likely to suffer harm, physical or financial, through a traffic accident than a housebreaker.

But I would go further. Law and order is an indivisible subject. We are now focussing our attention on a handful of burglars. What of white collar and other non-violent crime in our society?

What about the lawyers who steal \$1.5 million of clients' funds but are allowed to pay back the monies without criminal proceedings?

What about the directors misappropriating perhaps millions of dollars of company funds resulting in bankruptcies and hundreds of people losing their jobs?

What about the dollars slipped to customs officers to permit illegal imports? Or bank officials who steal but are not prosecuted so as not to "damage the image of the bank"?

Barbadians have been understandably excited and outraged at a series of "canefield murders" and armed robberies, but we have been turning blind eyes to much dishonesty in society. This double standard and this attitude of self-deception is equally as dangerous to the stability of the country as an outbreak of violent crime.

White collar crimes and petty corruption are on the rise in Barbados and while they may not be publicised to the same extent as murder or robbery, we must be conscious of the fact that they exist and seek actively to prevent them. The particular danger of this type of crime is that more and more of the society becomes corruptible and corrupted, something which is not generally regarded as representative of Barbados and Barbadians.

We must all reflect on this and each of us endeavour to avoid such temptations that may bring personal material gain, but destroy our moral and social environment.

REGIONAL AFFAIRS

I turn now from domestic matters to regional affairs. I have already made mention earlier this month of an invitation to the Prime Minister of Trinidad and Tobago to visit Barbados for official talks and to participate in the opening ceremonies of the Arawak Cement Plant.

I wish to report now that Mr. Chambers has responded to my invitation and while he has not yet indicated a date which would

be convenient, he has asked that bilateral discussions at ministerial level be undertaken to resolve a number of matters of interest to both our countries prior to his visit.

For our part, Barbados has looked forward for some time to the opportunity that such ministerial discussions will afford, and we are eager to have them commence as soon as possible.

This brings me to the larger question of international relations. Members of the Government are fortunate that through the party's membership of organisations such as Socialist International we are able to establish personal links with political leaders from the Northern and Southern Hemispheres, which often prove valuable on the government to government level.

Those in attendance at the conference last week would have had first hand experience of the links forged through our common membership in Socialist International in the person of Carlos Andres Perez of Venezuela who so kindly accepted our invitation to address this conference, and to whom I wish now to add my personal thanks for a truly memorable presentation.

Barbados' image and reputation in the international community is probably higher now than at any time during our history. We are widely recognised as a country that respect the policies of other countries with out compromising our own sovereignty.

Our high regard for human rights, women's rights, Press freedom and social services have gained the respect and admiration of far larger and more powerful countries than ourselves.

All of this has taken place while the quality of life in Barbados has improved enormously since we were returned to power in 1976.

Many children growing up today have known no other life than one embracing electricity and modern sanitation facilities in the home, refrigerators, stereos, television — colour television — videos.

Hand in hand with the population's desire for material comfort the Government has been able to meet public expectations of social services and amenities. It is taken for granted that free education is now fully available for all children of school age; and it will come as no surprise that Barbados has a higher proportion of its children in primary

school than the United States, and in secondary school than the United Kingdom.

University education is free to all qualified students. We have greatly improved and expanded primary health care, an ongoing process to be taken a step further with the implementation of the National Health Service which will start for the over 65s on June 1, of this year.

Public transportation and the road network is in the process of being enhanced so as to meet commuter and commercial demands well into the next century. The system of unemployment benefit is now well established.

The evidence of the Government's commitment to progress is all around us, and it is a record of which I think we can be justly proud.

We have brought this country a long way, but we still have a long way to go. Perhaps the first journey we must take is in our hearts. We must have courage and confidence and to use a colloquialism of which an old party faithful was fond, we must not be always peeping up under ourselves.

We have to look forward and produce a programme, which will stand with our great manifestoes of the past as a commitment and a contract with the people who will send us back to power once more.

We have brought this country a long way and to go on we must maintain those political standards that earned for us the name of the great combination.

We have a united party, not one frittering away our potential strength in leadership struggles or seeking political power through negative and inconsistent argument, empty controversy and abounding mischief, aimed at leading the people away from common sense and good judgment to passion and hatred.

If we are the great combination, we may justifiably call our opponents the great confusion.

We have brought this country a long way and with God's help and that of all the members of this great party we are going to carry it further.

Party Chairman's Speech

Bridgetown BARBADOS ADVOCATE in English 18 Jan 84 p 4

[Speech by Dr Richard (Johnny) Cheltenham, chairman of the Barbados Labor Party, at the 46th conference of the Barbados Labor Party in Bridgetown on 13 January 1985]

[Text]

Dr. Richard (Johnny) Cheltenham, chairman of the Barbados Labour Party told the party's 46th Annual Conference last Sunday that it would be fatal to go into the next general elections boasting of the party's achievements without pointing the way forward.

He said that the party must be clear in its vision and its manifesto must be bold and realistic. He said that the time had come to "lift our eyes and fix our sights" on the next general election and the party must be prepared.

Below is the text of Dr. Cheltenham's address:

"This Forty-sixth Annual Conference falls at a critical point in the life of our party in Government. We must use it to renew our comradeship and to recommit ourselves to the building up of our country and to ensuring that it is a safe and happy home for all our people. We must use it to infect ourselves with a rigid determination to win. We must use it to help lay the foundation for yet another decisive victory at the next General Elections.

"I regard this conference therefore as one of the most important in purpose and it is with a large sense of pride in our achievements both as a government and as a party that I welcome you.

"A year ago, when last we met in annual conference, our deliberations were guided and inspired by certain developments of the moment. We met, in part, to celebrate our unflinching commitment to the preservation of democracy at home and abroad, and to renew our resolve to remain faithful to that ideal.

"We met also against the backdrop of continuing economic recession, not to take fright from our adversity, but to summon the will to rise above it. We met as well in anticipation of political struggles that would put the institutional strengths of our party to the severest test. And we sounded a call, not to retreat, but in the now prophetic words of Danton, to dare, to dare again, ever to dare.

"We were, in every sense well met.

"Today, I come before you first to thank you again for having accorded me the honour of serving as your Chairman. I especially want to express my appreciation to the members of the National Executive Committee, and indeed the ranks in general, for their various courtesies to me and their unswerving support. For my part, the experience has been rewarding in every respect and I trust stewardship would have left the party somewhat stronger and no less ready than in the past.

"My main purpose today however is to reflect on our collective stewardship during 1984 and to initiate the debate on the way forward.

"Since the publication of the novel "1984" by George Orwell, the very mention of the year 1984 has

come to be associated in the minds of men with a sense of dread; with a world made uninhabitable by the triumph of anarchy and the rule of disorder. There is around us abundant proof that the novelist perhaps erred only in the extremes of his prophesies.

"Happily for us both as a party and as a Government, the year will live on in memory for more pleasant reasons. We can truly remember it as the year in which the shadows of economic recession were not entirely lifted but started to recede. Despite the propaganda of collapse in manufacturing, the volume of our industrial exports surpassed our receipts from tourism. The year began with an improved sugar harvest and closed with a strong showing in the tourism sector.

"With the initialing of the Avoidance of the Double Taxation Treaty with the United States Government and the conclusion of an Exchange of Fiscal Information Agreement, we also substantially advanced the work of building an off-shore sector in Barbados particularly in the area of Foreign Sales Corporations and convention business in the tourism field. And may I remind you that the off-shore industry in Barbados is the only major new area of economic activity since our party laid the basis for the growth of manufacturing and tourism in the late 1950s.

"While we toil to make the economy secure and prosperous for all, we do still have in our midst those, I refer ladies and gentlemen the DEMS, who base their every public utterance on the presumption of economic collapse. For them, the theme of economic collapse has now come to be a political desire; a rostrum from which they hope to launch their efforts for electoral success.

"But, like ole man river, our economy just keeps rolling along. And I am sure that its performance and resilience will continue to disappoint and embarrass our detractors in the future as it surely has over the past three years.

"On the political front, the energies of the party were for six months and more totally absorbed in the St. Peter by-elections. But we can pleasantly remember 1984 as the year in which we were put through the hottest fires and emerged as the finest steel. It was the year in which we were called upon, against all odds, to disprove the legend that ruling parties cannot win by-elections. We should not gloat in victory, but then, as the saying goes, winning never felt better.

"The victory of Owen Seymour Arthur replacing Walter Claire Burton Hinds in St. Peter and the facts surrounding it are now part of our political history. They need not be recited here. What must be spoken of however is the wisdom of our leadership and the will to lead; the enthusiasm and desire of party

supporters young and old to work; and the sheer resolve of our party institution to rise up against adversity.

"But what of the man whom Arthur replaced -- Walter Claire Burton Hinds? Though sick and handicapped -- though resigned and replaced, he must not -- indeed cannot -- be forgotten. He entered public life in 1966 when he contested a seat for the constituency of St. Peter and won, defeating Frank Leslie Walcott who by then had emerged as one of the most formidable critics of the Barbados Labour Party.

"For ten of the fifteen years when our party was in opposition, BURTS -- as he is affectionately known kept the flag of the party aloft. Very soon after entering Parliament, he impressed with his large eye for detail, his keen sense of rage in the face of administrative wrong doing and his redoubtable debating skills. In time, the opposition Democratic Labour Party was to find him one of their toughest opponents.

"When, in 1976, he once again won his seat as a member of the winning team -- the Great Combination -- he was made Speaker of the House of Assembly.

"He loved Parliament and attached great importance to its pivotal role in our system of Government and to its rich traditions. Immediately, he mastered its rules and stamped his strong personality on its proceedings. He strove vigorously to restore its dignity and brought a new level of order to its debates.

"Walter Claire Burton Hinds was a rugged and effective politician with a highly developed sense of combat. At the height of his powers, he was almost always able to interpret the mood of the people and reflect their deepest feelings.

"We in the Barbados Labour Party are grateful to the people of St. Peter for the confidence they have consistently reposed in him. We are grateful too for his service and his contribution. We join in prayer that happiness of mind and serenity of spirit may characterise his days of retirement. We pray too that he and his family will always find consolation and inspiration in his record of service to the people and in the continuing good works of our party.

"At the party level we started in the course of the last year to define criteria whereby we can begin to identify the large number of men and women who now and over the years followed faithfully and devotedly the banner of the Barbados Labour Party and help to make our party strong. Outside of their districts they have virtually been unknowns. As a consequence they have tended to be forgotten. They did not in the past and do not now make the T.V. news or dominate the columns of the newspaper. But we as a party are very much in their debt and by next year we should have an Honour Roll covering the entire twenty-seven constituencies.

"The monthly meetings of the National Executive were well attended. I fear however that with the party in office the NEC has almost totally relinquished its role as the voice of the party between annual conferences on issues of policy.

"I fear too that the NEC discussions though lively and interesting in the best traditions of the governing council of our party have tended of late to be characterised by intolerance. We would do well to

remind ourselves that as individuals we are different -- in the way we perceive issues; in the manner in which we interpret events and the style in which we express ourselves. These differences and more notwithstanding, we must learn to admire and respect one another.

"The Women's League of the Party continues to do useful work and we applaud its President, officers and members for another year of service. The Young Socialist League is and has been for the last few years experiencing an outbreak of constructive energy. I was particularly pleased with the organisation and leadership of the Youth Congress held in Barbados in the course of last year. I have been impressed with the organisation of the many seminars, lectures and other outreach programmes which it sponsored in recent times. And even if we do not always agree with each particular expression of its energy, we cannot conceal our admiration for its activities. I urge you to continue your good work and I commend Messrs. Paris and Harry, President and immediate past secretary and all its officers and members.

"I believe that the greatest hope of the Party Headquarters becoming a magnet for young men and women lies in the appeal and work of the League.

"The recent appointments made by the Prime Minister both to the ranks of Government and to the Senate were well received throughout the wide family of the Barbados Labour Party and I wish on your behalf and indeed on my own behalf, too to congratulate Aaron Truss and Owen Arthur for their appointments to the post of Minister and Parliamentary Secretary, respectively. I congratulate also Herbie Yearwood and John Jordan on their Senatorial appointments. We are confident of their abilities and look forward to their contribution.

"The time has come to lift up our eyes and fix our sights on the next General Election. Everything must be done to expand rather than restrict the timing options available to our party leader and Prime Minister. This means, to put it briefly, we must as a party be PREPARED.

"In the course of readying ourselves, persons must be chosen for those constituencies that at present are without endorsed candidates. Already it is causing disquiet among some of our members when two or three claimants fight it out for a constituency nomination. They fear that this will divide the party and lame its prospects whenever these contests take place. Nothing is more unlikely to happen. I remind you that this is nothing new; and that ours is a democratic party; and that any member who fancies his chances at winning an election is entitled to seek to secure the nomination of the constituency branch. We still have time for the voice of the people at the branch level to be heard. At the end of the day, the Executive of the Party and the party's leadership reserve the right -- rarely exercised, but exercised from time to time nevertheless -- to overrule the constituency. But these contests can only take place in a party where democracy is at work and we ought to welcome rather than resent them.

"In addition, the party must be clear in its vision. Its manifesto must be both bold and realistic. Notwithstanding our considerable record of the past 8 years -- it would be fatal to go to the electorate boasting of our achievements without pointing the way forward. The BLP did it in 1961 and it was rejected. The DEMS did it in 1976 and they too were

rejected. And whilst I am not here advancing any single cause explanation for Government's defeat in 61 or 76, the heavy emphasis in the manifestoes on achievements and the past rather than on plans and programmes for the future, did contribute.

"I am very much hoping therefore that the appropriate Committee will be set-up now and the formal thinking process begun. I am confident that it will lead to new ideas which in turn will be reflected in the next BLP manifesto.

"There are three other matters of an organisational nature to which I wish to call attention. The first concerns the need for us to develop our party secretariat in a manner consistent with the political and organisational requirements of our age. In the past, we depended on sound policy, and a strong platform and house to house campaign to assure ourselves of electoral success. But we now live in an age where no institution whether social, industrial or political can survive, unless it keeps pace with changes in technology and advances in organisational systems. Our party has to enter the computer age, and organise itself to master the organisational challenges which flow therefrom. Specifically, we have to devise the best means of using the computer to assist us in our political operations.

"The second has to do with the relationship which must be encouraged between our party as a Government and our party as an institution. There is always the danger that a gap can emerge between the Executive of the party and the party leadership itself in the running of the country. Our task is to find the mechanism that will constantly refresh those in Government with the ideas which flow from the ranks from which they came.

"The third perhaps takes us into the realm of policy. I strongly believe that we now have the resources to make abject poverty in Barbados a thing of the past. This will require among other things the formulation and implementation of small, community-oriented projects aimed at improving the quality of life of some of the disadvantaged districts in this country. In addition, we should now back our legislative initiative in relation to the Plantation Tenancies with a vigorous programme to convert them into modern human settlements rather than places where our agricultural workers find it convenient to live. This general matter presents itself to the party and Government as one of the more striking social and organisational challenges of our times.

"In conclusion, may I emphasise that there is one lesson of the year under review which in my respectful submission stands out above all others. It is the need at all times to have faith in the good sense and undertaking of the ordinary Barbadian folk. Many of the political and economic advances made during the year can be explained only in terms of our faith in their respect for canons of political fair play and the spirit of justice. It is our faith too in their understanding that in troubled economic times sacrifices must be made; and that Government should not shirk from the responsibility of putting new but difficult policies to the test that has brought us thus far.

"We cannot go wrong if we continue to display that faith -- for it is that very faith in our people that gives us courage to face the present with confidence and the future with expectancy."

BARBADOS

ADAMS WILL SIGN \$40-MILLION LOAN DURING VISIT TO JAPAN

Assembly Go-Ahead

Bridgetown THE NATION in English 24 Jan 85 p 3

[Text]

PRIME Minister Tom Adams will visit Japan next month to sign a loan agreement for some five billion Japanese yen, which is approximately BDS\$40 million.

The money, to be raised by the issue and sale of bonds in the Tokyo market, is to facilitate a number of capital projects in Government's five-year Development Plan.

These projects include the industrial access road; the Bridgetown and Speightstown fishing harbours; the municipal solid waste plant; the Scotland District and the rural development projects, the Glebe

polyclinic and the extension to the Queen Elizabeth Hospital.

On Tuesday night, the House of Assembly passed a resolution giving Government the go-ahead to raise the money, which will be borrowed under the External Loan Act.

In introducing the resolution, Mr. Adams told the Chamber the bond issue would have a five-year maturity and an interest of not more than eight percent.

Nikko Securities Company Limited of Japan will be head arrangers of the issue, while the International Bank of Japan will act as recording and paying agent for Barbados. The issue date is scheduled for February 28.

Noting that the Japanese market had not been touched by Barbados except for some private commercial interests, the Prime Minister explained that Barbados now faced graduation from certain international lending institutions, and it was necessary to establish early credibility in other commercial places, in order that the graduation would not affect the island's ability to get loans.

Government he added, was negotiating with the Japanese and the British for the replacement of loans under the External Loan Act, noting that it was prepared to take the foreign exchange risk involved with the yen loan.

Foreign Debt Situation

Bridgetown THE NATION in English 24 Jan 85 p 3

[Text]

GOVERNMENT external debt position at the end of November, 1984, stood at \$365.535 million.

This figure was given in the House of Assembly on Tuesday night by Prime Minister Tom Adams, while introducing a resolution to approve Government's borrowing of five billion Japanese yen.

According to Mr. Adams, about \$162 million of this money was owed to international financial institutions, \$40 million in bonds to Trinidad and Tobago; \$28 million owed to Canada; \$4

million to Britain and approximately \$93 million in Eurodollars.

During this year, the Prime Minister told the House, Government would be repaying the International Monetary Fund (IMF) some of the funds borrowed a couple years ago, which assisted the country in the difficult period after the Caribbean Multilateral Clearing Facility became insolvent.

He observed that although the Japanese loan would enlarge

the external debt position, the repaying of the IMF loans would in effect reduce this debt.

However, Opposition Shadow Minister of Finance, Dr. Richie Haynes, said it seemed that the new Japanese loan was essentially a balance of payment support loan.

Mr. Haynes noted that he had had no time to look at the country's external debt position before the debate, but said he was in no doubt we faced a serious position in the liquidity of our foreign reserves. He describ-

ed the situation as not good; adding that he felt this loan would create further problems in relation to the debt servicing in the future.

The Opposition member queried what was the true total foreign debt including the public guarantee debt (those debts of totally owned Government subsidiaries.)

The figure which the Prime Minister gave the House, he noted, was one which would be found in the Central Bank reports. If his memory served him correct, Dr. Haynes observed, in one of the Prime Minister's presentations last year, he had given a figure of close to \$600 million.

The total foreign debt of the country, he said, was kept as a closely guarded secret.

CSO: 3298/404

BARBADOS

MONALI WILL BE SPRINGBOARD FOR NEW MARXIST PARTY IN MAY

FL071752 Bridgetown CANA in English 1655 GMT 7 Feb 85

[Report by Reudon Eversley]

[Text] Bridgetown, Barbados, Feb 7, CANA--Leftist politicians in Barbados are planning to launch a new Marxist party in May, a leading activist said today.

Dr George Belle, general secretary of the small Movement for National Liberation (Monali), told the Caribbean News Agency (CANA) the Workers Party of Barbados (WPB) will be the offspring of Monali which, he said, had served to lay the groundwork for the new group.

A general election is due here next year, but Belle said a decision had not been taken on whether the new party would contest the poll, though it planned to campaign.

The party will be launched on May 1, traditional Labour Day, at an open public session, and representatives of leading Caribbean leftist groups are expected here for the occasion, according to Belle, a lecturer in government at the Cave Hill Campus of the University of the West Indies (UWI) here.

Our view is that there has been for some time a call for a third political voice in Barbados, and we are in a sense responding to this position, he said.

Further to that, our assessment in examining the two established parties--the (ruling) Barbados Labour Party and the (opposition) Democratic Labour Party--is that both of them are failing to satisfy the wishes of many people in handling in an effective way problems affecting the society.

Belle said the focus of the WPB's programme will be the defense of working class interests. The programme is designed to put Barbados on the non-capitalist path of development, he said.

He said the party would be willing to strike up an accommodation with other groups as long as there is no conflict of interest.

Other main planks of the WPB's programme will be the democratisation of society beyond Parliament, and defending national interests against foreign control.

Belle said the party will be selective about its membership. To be a member, an applicant must be disciplined and show a readiness to work hard, he said.

Asked if the WPB will be patterned after established Marxist parties like the Cuban Communist Party, Belle replied:

Our party will be fashioned along the lines of democratic centralism in terms of its organisation. It will have fraternal linkages with the international working class movement and will defend anti-imperialist positions, meaning we will be standing against the domination of foreign monopolies over our country.

Belle said the decision to set up the party was not externally influenced.

CSO: 3298/403

BARBADOS

ST JOHN CALLS FOR WIDENING OF TRADE BEYOND CARICOM

Bridgetown BARBADOS ADVOCATE in English 18 Jan 85 p 1

[Text] The Caribbean Community (CARICOM) cannot solve all of Barbados' problems and the country must therefore export to extra-regional areas if the people are to have an acceptable standard of living.

This has been stated by Minister of Trade and Industry, Mr. Bernard St. John, who said we must count our blessings since we have access to the European Economic Community under the Lome Treaty; the United States under the Caribbean Basin Initiative and Canada under the Canada-CARICOM agreement.

His comments came as he addressed the Rotary Club West at the Sandy Lane Hotel, St. James. He told them that because of geographical location to South America and our sharing a common Caribbean sea with some of the nations in that area, it was imperative that we improved our trading relations with the Andean Pact.

"We must change our emphasis in Barbados that CARICOM can be the solution to all our trading problems," Mr. St. John said, noting that he was not discrediting CARICOM, and "...I'm a Federalist."

The Trade Minister noted that CARICOM had been facing some of the structural changes affecting the world, with price rises in oil, and decline in price of major commodities: sugar, bananas and bauxite. As a result the impact on CARICOM has been quite devastating.

He said if Caribbean people did not have special feeling to stay together, CARICOM would not be in existence. He added that no integration movement had survived when two of its largest members underwent serious trading problems and had currency devaluations such as has happened in Jamaica and Guyana.

CSO: 3298/404

BARBADOS

GOVERNMENT RELEASES UPBEAT STATISTICS ON TOURISM FOR 1984

FL142036 Bridgetown BARBADOS ADVOCATE in English 9 Feb 85 p 2

[Text] Barbados, whose tourist arrivals have been increasing since 1983, recorded a 10.3 per cent rise during the first 11 months of last year, according to figures released Thursday by the Minister of Tourism.

From January to November, arrivals stood at 327,710 as against 296,967 for the same period in 1983. Arrivals for November were put at 31,673 compared with 27,105 for the same month in 1983, an increase of 16.8 per cent.

Visitors from the United States, Barbados' main tourism supplier, rose by 20.5 per cent between January and November last year when the island welcomed 126,005 Americans as against 104,576 for the same period in 1983. In November the U.S. provided 13,377 tourists compared with 8,656 in 1983.

Arrivals from Canada, once Barbados' main generator of tourists, rose from 46,201 during the period January to November 1983 to 57,073, an increase of 23.5 per cent.

Arrivals from Canada in November last year were up by 11.4 per cent moving from 5,155 in 1983 to 5,741 for the same month last year.

The United Kingdom, hit by the continuing decline in the pound sterling, recorded a 4.2 per cent decline in tourists to Barbados during the first 11 months of last year when 41,256 visitors came here as against 43,060 in 1983. However, tourist arrivals from Britain last November rose by 5.9 per cent to 3,800 as against 3,589 for the same month in 1983.

The number of European visitors to Barbados during the period under review dropped by 7.6 per cent from 15,106 in 1983 to 13,959 in 1983 [as received]. Arrivals last November were also down by 7 per cent; 1,676 Europeans came to Barbados, compared with 1,801 in November of 1983.

Arrivals from the Commonwealth Caribbean over the period rose by 1 per cent with 77,860 West Indians visiting the island compared with 77,088 for the same period in 1983. However, November tourist arrivals from the Commonwealth Caribbean declined by 11.2 per cent, from 6,902 in 1983 to 6,131 last year.

CSO: 3298/404

BARBADOS

UNION URGES FULL PARLIAMENTARY DEBATE ON CORRUPTION

Bridgetown SUNDAY ADVOCATE in English 27 Jan 85 p 1

[Text]

THE Barbados Workers' Union has stated that it wants a full parliamentary debate on corruption in this island.

General Secretary of the union, Mr. Frank Walcott said he was glad that Prime Minister Tom Adams had made a forthright statement on crime and corruption at the ruling Barbados Labour Party's annual general conference held last Sunday.

But Mr. Walcott felt that Mr. Adams' statement ought to be heard beyond the narrow boundaries of the party conference. The BWU's General Secretary wants a serious discussion on the matter in the House of Assembly "so that the public may have a clear and full debate."

Mr. Walcott said "the union is concerned because the life of any community revolves around the integrity of its citizens..... the union is also bothered because there is a growing feeling

that corruption is rife in the country and that the corrupt, as long as they hold position, or are acquainted with persons of authority and influence, will feel they can pursue their nefarious activity with impunity."

Mr. Walcott said the BWU was opposed to any form of corruption whether it was in the trade union or in politics.

The BWU's General Secretary has also criticised the various forms of vulgarity on the streets, noting that people should be able to walk on the streets without physical or verbal molestation.

CSO: 3298/403

BARBADOS

BARROW SAYS UP TO 34,000 NOW IN RANKS OF UNEMPLOYED

Bridgetown SUNDAY ADVOCATE in English 27 Jan 85 p 2

[Text]

Leader of the Opposition, Mr. Errol Barrow has identified unemployment as the most serious problem facing Barbados today, claiming that as many as 34 000 people now either unemployed or under-employed.

Mr. Barrow said that it has been very depressing to hear of further lays-off recently in the manufacturing sector and that more than 60 companies have gone into liquidation.

Mr. Barrow did not agree with Prime Minister Tom Adams' recent statement that unemployment stood at 19 000 in the middle of 1984 when compared with 23 900 at the end of the 1975 when

only 82 000 people were at work.

Mr. Barrow described these as strange facts which emerged from the Government statistics. He then pointed to the Economic and Financial Statistics of the Central Bank of Barbados for November 1984.

The report noted that the adult population in 1975 stood at 162 100 while in 1984 it was 176 700 which represented an increase of 14 600. Mr. Barrow said, adding that "yet, the labour force fell from 106 000 to 104 500."

Mr. Barrow said that during the last year of the DLP Government unemployment had been reduced to 15.2 per cent and inflation in the

same year, mid-1976 had been reduced to two per cent.

The Opposition leader said that he wondered what had happened to the additional 14 000 persons in the adult population between 1976-84, stating that they could only be accounted for in the new category of "voluntary idle."

He said that this new category, it would appear, included "all of the youngsters just of school who have not yet sought employment; all of those who have given up trying; and all of those who managed to live by getting a little pick one week on and two weeks off, since none of them are fully employed."

CSO: 3298/404

BARBADOS

HIGH LOCAL ENERGY PRODUCTION SAVES FOREIGN EXCHANGE

Bridgetown THE NATION in English 24 Jan 85 p 3

[Text]

BARBADOS has produced 50 percent of the energy consumed locally last year.

According to Minister of State with responsibility for Planning and Energy, Senator Clyde Griffith, this has contributed a saving of over \$40 million in foreign exchange, in the past three years.

Delivering the feature address at the Barbados Chamber of Commerce's first in a series of luncheons for 1985, at the Hilton Hotel yesterday, Senator Griffith remarked: "I can say with some confidence we have turned the corner on the road to self-sufficiency and energy security."

Senator Griffith earlier had stated that Barbados could not claim to be energy independent, if domestic

demands were met, but it still had to rely on foreign consultants for technical assistance.

He added that conscious of this, Government had ensured that adequate provision was made for the training of staff in the energy sector. He also said in the petroleum industry, a significant number of Barbadians have been given adequate training.

The minister said: "Indeed, I am happy to report that a new area slated for drilling with Canada participation in the near future, was mapped out by our own geologists."

"In the Energy Conservation Unit, our staff has reached such a high level of proficiency that the Government is in a position to offer technical assistance in energy

conservation programming to other Caribbean countries."

Senator Griffith, however, noted that although Barbados now has a team of trained people who can help to bring about total energy independence, it cannot be achieved without involvement of the private sector.

He encouraged such participation in the establishment of a local, liquified, petroleum gas plant coming on stream this year, and in a refuse generation plant which in a pre-feasibility study has just received financial support from the Canadian International Development Agency.

The liquified petroleum gas plant is expected to be capable of producing 25 percent of local bottled gas needs.

CSO: 3298/404

BARBADOS

DLP SEEKS BROADCAST RULE; BARROW CITES LEADERSHIP ISSUE

'Equal Time' Quest

Bridgetown BARBADOS ADVOCATE in English 25 Jan 85 p 1

[Text]

The Opposition Democratic Labour Party intends seeking a High Court ruling on political broadcasting in this country.

Opposition Leader, Mr. Errol Barrow said such action would be sought because of the unlimited access Government Ministers have to the State-controlled media while the Opposition is denied similar facilities.

Mr. Barrow also intends to write the Chairman of the State-owned Caribbean Broadcasting Corporation (CBC) to request equal time to reply to every political broadcast made by Government.

An Opposition party in Trinidad and Tobago recently got a High Court ruling that the Government-owned television station, T.T.T., submit a policy statement on political broadcasting.

A constitutional motion on the matter had been filed by a top member of the opposition Organisation for National Reconstruction, after the station edited a political broadcast made by the ONR official in December 1982.

Mr. Barrow said the DLP's attorneys had not yet started work on the submission since the party was awaiting the arrival of documents relating to the

Trinidad case.

The Opposition Leader said that Prime Minister Mr. Tom Adams' 50-minute New Year Message which came on January 6, was "pure political propaganda" indicating it was unfair for a number of charges to be made against the DLP, without the party being given the chance to reply.

Mr. Barrow also raised objection to the "frequent broadcasting" by CBC-TV of Mr. Adams' address to his party's annual conference last Sunday.

"I have never regarded that a Government should use a Government broadcasting station for the purposes of political propaganda. In so far as Government wishes to put over a point of view, the Opposition certainly should be given equal time..." he said.

Mr. Barrow, whose DLP administration between 1961-76 established CBC-TV, said he was not good at public relations and apart from the Budget speeches said he went to CBC on about seven occasions with great reluctance.

He said following the 1976 General Elections, when his party was defeated, he was requested and did an interview with CBC-TV lasting about 52 minutes, but only about three minutes of it was shown, due to what he claimed were "orders from the political directorate."

Pre-Election Activities

Bridgetown BARBADOS ADVOCATE in English 25 Jan 85 p 2

[Text]

Trade Unionist and historian, Mr. Robert "Bobby" Morris will be contesting the Christ Church East Central constituency in the next general elections for the Opposition Democratic Labour Party.

This was stated yesterday by the DLP's leader Mr. Errol Barrow who is also Leader of the Opposition.

That seat in the Lower House of Parliament is held by Mr. Bernard St. John who is also Deputy Prime Minister.

Mr. Barrow told the Press that "there is no shortage of candidates ... we have too many..." adding that a decision was yet to be taken as regards the candidates for Christ Church East, St. George South, St. Andrew and St. Michael East.

He said that the DLP was prepared for elections this year, noting that the sooner the better. The Opposition Leader said his party has been working on the premise that elections will be coming sometime between March and November.

On the Electoral and Boundaries Commission, Mr. Barrow said he submitted his nominees long before December 5 when it was thought the body would have become operational.

He said he had spoken to the proposed chairman who did not know the reason for the delay.

Mr. Barrow said he had suggested that Professor Sir Roy Marshall should be Chairman of the Commission, but Sir Roy would not have been available before May.

He added that he would not be surprised if "we had the election without the Commission."

He spoke about Dr. Don Blackman, who currently holds the St. Michael East seat on a Barbados Labour Party ticket as being "sufficiently important" to influence a number of marginal seats in other St. Michael constituencies.

Dr. Blackman is a member of the ruling BLP. Prime Minister Mr. Tom Adams announced last Sunday at his party's annual conference that all sitting members of the BLP would be seeking re-election.

However, Mr. Barrow noted that whatever decision Dr. Blackman makes will affect other marginal areas around since "he is a sufficiently important figure to influence certain seats."

Mr. Barrow, himself, will be leading the DLP into the next General Elections, constitutionally due in late 1988.

Barrow on Leadership

Bridgetown THE WEEKEND NATION in English 25-26 Jan 85 p 1

[Text]

OPPOSITION Leader, Mr. Errol Barrow, said no one should doubt that he is the leader of the Democratic Labour Party (DLP), until his peers or the Almighty decide otherwise.

He was speaking at a Press conference to get the so-called DLP leadership issue into perspective.

But first, he said there was no politician worthy of his salt in any democratic country who did not aspire to the leadership of his party — unless he was convinced of his own limitations.

Mr. Barrow said that in the United States, the political primaries were nothing less than leadership contests — whoever won, — could bid on behalf of his party for the presidency.

In Canada, he said, there were leadership conventions from time to time, as was the case when Mr. Pierre Trudeau resigned.

And Mr. Barrow said there was a great fight right out in the open for the leadership of the Labour Party in Britain before Mr. Neil Kinnock won. It was the very essence of democracy, he said.

After asserting his right to lead the DLP now, Mr. Barrow said: "I am fit, of sound mind and nine years younger than Mr. Reagan. But you must also understand that I do not arrogate to myself — I have no right to do so — the right to designate my successor as if I were a monarch abdicating in favour of an heir."

"That will be a matter for the elected Members of Parliament to decide when the time comes".

He added that he did not know who would be party leader and therefore the Prime Minister after the next general election. If the people of St. John re-elected him, he probably would be, he said.

"But I have to say I don't know because I would never take it for granted that they will re-elect me, Mr. Barrow said.

He recalled what happened in the Barbados Labour Party (BLP) and said: "Sir Grantley designated Mr. Bernard St. John as his successor. In the 1971 election the people who voted for the BLP did so with the conviction that if that party won, Mr. St. John would be Prime Minister.

"They did not win the election and Mr. St. John lost his seat. What happened was that Sir Grantley's will was overturned and his own son, Mr. Tom Adams, eventually became Prime Minister after all," Mr. Barrow said.

He asked: "So how can anyone reasonably forecast what is going to happen in politics and who is going to be Prime Minister if a particular party wins?"

Post-Election Plans

Bridgetown THE WEEKEND NATION in English 25-26 Jan 85 p 32

[Excerpts]

OPPOSITION LEADER. Errol Barrow has predicted that Prime Minister Tom Adams will call the next general election between the end of March and November this year.

The 65-year-old Mr. Barrow, who thrice made such a crucial polling day decision when he led this country for 15 years during the Democratic Labour Party's (DLP) administration, said: "The election would not be unlikely to be in November, but it could certainly be earlier."

Mr. Barrow, who is also political leader of the DLP, confirmed at a Press conference at DLP Headquarters, George Street, St. Michael that he will lead the party into the next general election.

If the DLP is victorious, Mr. Barrow said he would be willing to become Prime Minister again if his parliamentary colleagues wished him to lead them and so indicated to the Governor-General that he was the person best able to command a majority in the House of Assembly.

But, when asked about the so-called leadership issue in the DLP in terms of a prime minister, Mr. Barrow said when Mr. Erskine Sandiford, the Deputy Leader of the Opposition, Mr. Branford Taitt, and Dr. Richie Haynes, both of whom did not hold executive office in the party, were considered, "anyone of us can be Prime Minister".

If he became prime minister again, he said, his Government would enter a new dialogue with Barbados' CARICOM trading partners. "I think we are well equipped to do this because we have a fairly good relationship with people all over the Caribbean."

The DLP only had to complete four nominations, but there was no shortage of candidates, Mr. Barrow said.

He stated that the party's executive last week selected personal assistant to the general secretary of the Barbados Workers Union (BWU), Mr. Robert "Bobby" Morris, to contest the Christ Church East Central constituency against Deputy Prime Minister, Bernard St. John.

CSO: 3298/401

BARBADOS

POLITICAL LEADERS DEBATE DIFFERING VIEWS ON CRIME, DRUGS

Taitt Call for Inquiry

Bridgetown BARBADOS ADVOCATE in English 23 Jan 85 p 1

[Text]

Government is being urged to set up a commission of enquiry into the rise in white collar crime and violent crime in Barbados.

The suggestion has come from Opposition MP, Mr. Branford Taitt. He was speaking on a Private Members' Resolution which noted the increase in serious crime and called on Government to take appropriate action to ensure that the police force is adequately equipped to perform its function.

He said there were people who had an interest in and respect for the community and these should be appointed to the commission.... "not yardfowls."

Mr. Taitt said a large number of people who heard Prime Minister Tom Adams' comment on the crime situation in his New Year's Message thought the Prime Minister was saying that the crimes were racially motivated.

The St. Michael West MP told the House that cocaine was finding its way into Barbados either as a transshipment point or for use here and warned of the degradation which came from the use of these drugs.

He said we were in an age of sophisticated crime and criminals "and we need sophisticated equipment."

"You have to give the Commissioner (of Police) more and better resources. If the Police Commissioner says he wants more men and equipment it is not for politicians to say that he does not need more men and equipment," Mr. Taitt said.

He said Government MPs should not suggest that the Resolution was frivolous and that the Opposition was trying to place a wedge between the Defence Force and the Police.

Mr. Taitt said when a policeman was put to work continuously in conditions where one of his colleagues got shot his efficiency would decrease because the psychological mode within which he performed his duties would have declined considerably.

Reacting to comments that crime statistics were greater in 1975, Mr. Taitt said there were more dope-related crimes today than there were in 1975.

"Let us not fool ourselves; we need to arrest the problem at source; we need to address the cause of crime....it has to do with massive unemployment."

Mr. Taitt said some people were living better than they ever did in their lives and others "are sucking salt." He was convinced that this was the reason for the high upsurge in crime.

Taitt on Cocaine 'Factory'

Bridgetown THE NATION in English 23 Jan 85 p 1

[Excerpt] .Who is the mystery man who spent eight weeks at the plush west coast Sandy Lane Hotel and set up, according to Opposition MP, Branford Taitt, a cocaine factory?

Mr. Taitt said that when the visitor left the island he was not even "touched" at the airport.

Barbados, he observed, was now a "way station" for cocaine from Colombia, noting that there was a problem at the airport. And larger and larger quantities of the drug were finding their way here, either for transshipment or for use.

Tull on Political Interference Charge

Bridgetown THE NATION in English 23 Jan 85 p 2

[Text]

ATTORNEY GENERAL, Louis Tull, is to ask the Commissioner of Police to write Maurice King for information relating to interference by high political figures in drug related activities.

Mr. King, MP for Christ Church West Central, had alluded to involvement of political figures in drug activity and their interference in police investigations of these matters.

Describing Barbados as a rumour-mongering society, Mr. Tull told the Chamber that on every occasion, he had heard statements about persons in high office interfering with drug investigations, he had asked the Commissioner of Police whether he had credible evidence about anyone in political life or in Government being involved.

The commissioner, Mr. Tull said, replied in the negative.

Mr. Tull added that at the annual meeting of the Police Association in 1983, the Commissioner stated that he (the Commissioner) had never had such interference.

Last year, MP for St. Michael West, Branford Taitt, had stated that persons were bringing cocaine into this country in glass windows, added Mr. Tull.

"When I asked him for information concerning this, he refused," the Attorney General said, adding that a similar situation arose when St. Michael West Central MP, Dr. Richie Haynes, stated that a number of people were involved in drug pushing.

"I wrote him a letter asking him to pass on the information to me or the commissioner and I received a most stupid and arrogant statement."

Adams Defense of Government

Bridgetown THE NATION in English 23 Jan 85 p 1

[Text]

PRIME Minister Tom Adams, said yesterday that no person in high political office, certainly not on the Government

benches, had ever been questioned by the Royal Barbados Police Force in connection with the use of drugs, whether it be

marijuana or cocaine.

Mr. Adams proposed three amendments to Mr. Maurice King's resolution and at one stage the House had before it Mr. King's resolution and the amended one.

The Prime Minister felt that the talk about drugs was only brought up to add spice to the debate, especially since the Opposition thought it was incumbent upon them to make a fuss, but having made that fuss, now found themselves caught in a snare.

Mr. Adams said that he was ashamed that Mr. King should come into the House and state

that high political figures were involved in drug matters. "He knows it is not true. He has let himself down," added Mr. Adams.

He explained, however, that he was not surprised at Mr. Taitt's claim about a cocaine factory at Sandy Lane since the St. Michael West MP was not known for any restraint, and he did not expect any from him on this occasion.

But the Prime Minister said that "in the last hour" — that was during the luncheon break — he had enquired from both the director of Sandy Lane and from the Commissioner of Police about

the charges made by both MPs and as to whether there was any element of truth in the charges.

He said also that the Attorney-General was hearing the charges for the first time.

He added that previously a search had been carried out at a number of hotels for drug offenders and no cocaine was found at Sandy Lane. There was no evidence to connect anyone with cocaine.

Attorney General's Stand

Bridgetown THE NATION in English 23 Jan 85 p 1

[Text]

ATTORNEY GENERAL, Louis Tull, emphatically reiterated his position in the House of Assembly yesterday, on the police force.

Mr. Tull said: "As long as I am minister responsible for the police, I will take the policy decisions. And the police commissioner can make decisions in relation to the operations of the force."

The attorney general added: "If the Prime Minister (Tom Adams) does not like how I run my ministry, he can take it and give it to somebody else."

Mr. Tull also stressed: "There is no division between the Government and the police. The Government will determine the policy of the police force. And I want everybody to understand that."

At the beginning of his speech, Mr. Tull expressed disappointment at the way in which the resolution was presented. He said he thought there was a greater crisis.

The attorney general who was overseas, said that only yesterday morning, he had read a statement made by the Prime Minister in another arena last Sunday.

In his own way, Mr. Adams had reflected the state of crime in Barbados, Mr. Tull said.

He added that it was not necessary to repeat a number of things said by the Prime Minister, but he would only refer members of the House to statements he had made already.

Said Mr. Tull: "There is nothing more divisive than the text of this resolution." He accused Mr. King of seeking to create a division between the Government and the police.

The biggest increase in crime in the history of this island, said Mr. Tull, was in 1975 when the Democratic Labour Party (DLP) was in the Government, and those crimes included house-breaking.

St John Slap at Durant

Bridgetown THE NATION in English 23 Jan 85 p 1

[Text]

DEPUTY PRIME MINISTER, and Minister of Trade and Industry, Mr. Bernard St. John, has said that he was appalled at the statements made by the Commissioner of Police against the Government.

Said Mr. St. John: "It is a direct challenge to the Government. It reminds me very much of the opening sentence by Sir Roy Marshall at the last Central Bank (sponsored) Sir Winston Scott Lecture."

He recalled that Sir Roy had said that modern states could be challenged by the army. He remarked: "They can be challenged by the police."

Mr. St. John said that as a result of how the commissioner's speech was made; how it was delivered and how it was reported, many people in the community began to experience fear ... fear

generated by that speech.

He said: "He (the commissioner) must understand that when you challenge a decision of the Government publicly, that you are opening yourself to being subjective to attack publicly.

"All of us are supporting the commissioner, but if you 'mash' the crease you have got to be given out. It must also be recognised that some of the points made in this challenge were already made by the permanent secretary. The permanent secretary had already made the point that the ministry intended to increase the numbers of the force.

"We are doing our best trying to cooperate. So it is not nice, after all of this, for the commissioner to come out and challenge the Government."

More on St John Remarks

Bridgetown BARBADOS ADVOCATE in English 23 Jan 85 p 3

[Text]

Deputy Prime Minister Mr. Bernard St. John said in the House of Assembly yesterday that recent statements made by the Commissioner of Police Mr. Orville Durant, during which he called for more manpower were a challenge to the Government.

Speaking in the House of Assembly during a stormy debate on crime, Mr. St. John said that the complaints made by Mr. Durant were given at a time when many of the problems were already being addressed.

Mr. St. John also said that the Permanent Secretary in the Attorney-General's Office had made it known that Cabinet had already looked at the matter of increasing officers for the Force, at the same function, but this had been ignored by the media.

He said the Government had been doing its best to co-operate and it was not nice for people to come out and say they were not getting the resources.

Mr. St. John also took issue with the way the report was handled by the Press stating that the Government's point of view was not given adequate publicity. He regretted that had to happen.

The Deputy Prime Minister said he was 100 per cent behind the Commissioner of Police in his duties.

He added that white collar crime should be exposed in the country and said that was why he supported the amended Resolution since the original one (that introduced by Mr. Maurice King) was conceived in hypocrisy.

Mr. St. John referred to the proximity of Barbados and some Caribbean states to the United States.

He quoted from an American publication which said the U.S. was one of the principal drug consumers in the world and marijuana cultivation was a large agricultural activity in that country.

He suggested therefore that there be a coordinated attack on the drug trade and the countries of the region needed to ensure all resources were involved in the attack.

He said that the airlines operating here had been warned that if they used their cargo facilities for drug trafficking they could lose their licences to operate into Barbados.

He regretted the Opposition's attempts to insinuate that Government members were involved with crime.

Criticism of Government Police Policy

Bridgetown THE NATION in English 23 Jan 85 p 3

[Text]

THE PRIME MINISTER'S suggestion that there was a great deal of consciousness about crime in Barbados is at conflict with reality.

This view was expressed by St. Michael South Central, MP, Dr. Richard Haynes.

He said that in Barbados today, honest law-abiding citizens were prisoners in their homes while thugs roamed the streets. "That is the substance of this debate . . . law abiding citizens cannot enjoy the comfort of their homes because of the constant fear that their house will be broken into."

He added that the second thing about the debate was that in no speech had he heard of any attempt to restore public confidence — a necessary prerequisite to law and order . . . that the political directorate was in-

terested in law and order in this country and in supporting the people responsible for carrying out law and order in this island.

Dr. Haynes said he would demonstrate the extent to which the Police Force had been neglected for the last eight years. Government, he added, had the authority to distribute the financial resources of the country. When the advice was given by the Commissioner of Police, had it been taken and acted upon then, there was a possibility that there would not have been the wave of crime in December last year and January this year.

He felt it was total stupidity trying to compare the resources of the police for 1975 and the rate of crime in that year with the resources and the crime rate of today.

He said it was a positive fact that the police had not been ade-

quately provided for since 1977 in that from 1977 to 1984, \$8.789 million was allocated to the Royal Barbados Police Force and that sum had to accommodate renovations to buildings and so on.

During that time \$41 million was allocated to the Barbados Defence Force and that did not include the \$10 million for the Skyvan. He said they did not know how many people were in the Defence Force. "All we have been told in that outrageous speech is that that \$64 million was justified because we were threatened by Sidney Burnett Alleyne some eight years ago."

He said that while the Police Force was still equipped with SMLE (1916) pattern .303 weapons for which no ammunition was available — the type of weapons he used when he was a Cadet — the Defence Force had on order the latest IW (individual weapons).

He called for more police patrols on the streets since he felt that people were paying their taxes for protection. He also called for an improved communications system. He said that people could remain in their homes and with a US\$200 set, they could monitor the conversations going on between policemen on their communications link up.

Dr. Haynes said that the responsibility for immigration should not have been removed from the police since, in that position, the police were able to keep track on those who came into the island. "I am saying that much of the crime in Barbados is very much un-Barbadian."

He also wanted better supervision of the inner harbour — the Careenage — and called for the restoration of police patrols

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BARBADOS

SUGAR CROP POISED TO START; FIRE-FREE SEASON URGED

Production Target

Bridgetown BARBADOS ADVOCATE in English 25 Jan 85 p 1

[Text] A total of 33,439 acres of canes is expected to be harvested in this year's sugar crop, reaping of which is expected to start on Monday.

Of this amount some 5,500 acres will be those of smallholders, while ratoons will comprise as much as 20,733 acres. Freshly planted canes will be reaped from 5,259 acres and "forced back" from 1,947 acres.

Portvale, in St. James, is the island's biggest and newest sugar factory, and is expected to improve its efficiency, while power sales should increase over the amount of 1984, now that Andrews factory, in St. Joseph, is fully integrated into the programme.

Last year Andrews factory produced 114,000 kilowatts; Foursquare 226,560 kilowatts; and Portvale 795,000 kilowatts. This power is generated from bagasse and there are no facilities in any Barbados sugar factory at present for burning any other fuel.

An official of the Barbados Sugar Industry Limited has stated that "though the effect on the overall economics of the sugar industry is still marginal, electricity co-generation is clearly in the national interest, as it represents a direct foreign exchange saving."

Green Cane Incentive Plan

Bridgetown THE NATION in English 22 Jan 85 pp 10-11

[Text]

BARBADOS Sugar Industry Limited (BSIL), optimistic of a bumper crop this year, is again asking Barbadians to make the 1985 harvest a fire-free one.

Managing director of the BSIL, Mr. Errie Deane, said the green cane incentive scheme, introduced in 1983, would continue during the coming crop season, and

called upon workers and the public to join hands in a concerted effort to eliminate the fire scourge of the industry.

He said that in 1982, prior to the introduction of the green cane incentive to workers, some 23 percent of that year's harvest went up in smoke.

However, in the past two years an average of six percent of sugar lands were burnt, and the sugar official noted this was due to the good cooperation of

the workers and the public.

For workers to benefit from the incentive, fields must be reaped green and remain green for the following crop. If a field is burnt after it has been reaped, the incentive is reduced, since there will be no additional revenue.

The incentive is paid to workers by the individual growers in accordance with the area left green on each holding and is determined by a fixed rate.

Where no acreage is burnt, workers receive an eight percent incentive. The scale of incentive declines according to the number of acres burnt on the particular holding.

No incentive is paid on an estate where 16 percent or more of the acreage under cane is

burnt.

It is paid on crop earnings not later than six weeks after the end of grinding operations.

In an effort to combat the cane fire, the cane fire patrols, organised jointly between the police and the Barbados Defence Force, along with island constables, will begin patrolling the sugar belt from this week.

Meanwhile, industry officials point out that no imported labour would be required for this crop.

Some 1092 extra workers, in all categories (cutters, loaders, packers, scrapers, drivers, loader operators, and retrievers) are needed, but the official said like last year, this quota would be drawn from the local labour force.

Job Opportunities

Bridgetown BARBADOS ADVOCATE in English 21 Jan 85 p 1

[Text] Almost 1,100 Barbadians will be able to find jobs in the annual sugar harvest which begins next Monday.

An announcement from the Barbados Sugar Industry Limited yesterday said 1,092 workers were needed at estates throughout the island to help with the reaping of the sugar canes.

Blackmans and Easy Hall plantations in St. Joseph are looking for as many as 100 cutters to help with their harvest. This year, apart from cutters, there is a need for loaders, packers, scrapers, lorry and tractor drivers, loader operators and retrievers.

The BSIL said that regular croptime workers should notify their usual managers of their availability for the forthcoming crop as soon as possible.

"Other persons who would like employment in the 1985 crop should apply to the manager of the estate located in their area, giving names and addresses, as soon as possible."

Meantime, the BSIL has been urging that the canes be reaped green, pointing out that the Green Cane Incentive Scheme will be continued.

Special rates are paid under this scheme to all field employees depending on the percentage of cane acreage burnt. Workers can receive as much as eight per cent of their crop earnings as an incentive rate if no canes are burnt while if 16 per cent or more are burnt then no incentive will be paid.

The danger of cane fires was spelt out; cumulative loss of productivity, loss of earnings to the industry and workers as well as loss of foreign exchange earnings to the country.

CSO: 3298/405

BARBADOS

GOVERNMENT GOING AHEAD WITH PLANS FOR YOUTH CONGRESS

Bridgetown SUNDAY ADVOCATE in English 20 Jan 85 p 1

[Text] Government is expected to move forward with plans for the establishment of the National Youth Congress.

This was disclosed yesterday by Minister of Information, Culture and Youth Affairs Senator Nigel Barrow as he delivered the feature address at the opening ceremony of the International Youth Year Rally in Independence Square.

Senator Barrow said that the final proposals for the setting up of the National Youth Congress (NYC) would be submitted shortly for Cabinet's approval.

He said that it was hoped that the NPC would be launched during this year as part of the International Youth Year.

"This Government in its development plan of 1983-88 has put on record its commitment to establishing a National Youth Congress to advise on matters relating to the youth. It was intended that this congress be established by the youth themselves and one existing organisation promised, on numerous occasions, to expand its organisation to become this national body. This, however, never materialised," Senator Barrow said.

The Minister also said that young people demanded the opportunity of free expression. He said that they needed to feel free individually or in groups to initiate programmes, formulate projects and experience a certain sense of satisfaction of a job well done.

"They do not need wardens with narrow prescriptions for living and achieving. What they need is assistance and guidance. It is an insult to our youth to imply otherwise.

"That is why we have adopted the creative approach to the guidelines established by the United Nations for observing this year," Senator Barrow pointed out.

Senator Barrow also said that a rehabilitation centre is also expected to be set up which would be of tremendous benefit to a number of juveniles.

He said that this recommendation will be carefully studied and account taken of its feasibility. He added that this would require much planning and consultation with other relevant ministries before its implementation.

CSO: 3298/405

BARBADOS

BRIEFS

FOREIGN SERVICE POSTING--Former Government Senator, St. Clair Howell will soon take up an overseas appointment in the country's Foreign Service. Prime Minister Tom Adams announced this yesterday and said that Mr. Howell had been appointed to a temporary post of Senior Foreign Service Officer in the Diplomatic Service. Mr. Adams said Mr. Howell had vacated his seat in the Senate to assume other duties. Mr. Howell was a Parliamentary Secretary but he has been replaced by Mr. Owen Arthur who won the St. Peter by-election. [Text] [Bridgetown BARBADOS ADVOCATE in English 21 Jan 85 p 1]

LOW-COST HOUSING SCHEME--Low income housing in Barbados will be given a further boost when the housing construction firm Bartrin sets up a \$2 million factory at Lower Estate, St. Michael, in a few months. Construction of the factory building starts early next month. The factory will usher into this island's manufacturing industry a new technology in housing known as systems building. The Systems Concept Incorporated type of housing is a concept of prefabricated concrete slabs or modules. The concept was introduced to Barbados from Puerto Rico when Bartrin was established two years ago. Managing Director of Bartrin, Mr. Elias Haloute said yesterday that the transfer of technology from SCI to Barbados was an indication that his company was responding to the call for higher technology in the local manufacturing industry. That call was made by Trade and Industry Minister Mr. Bernard St. John. The company is erecting 18 houses at Husbands, St. Michael, to initially accommodate some of the people who are to be resited from Airlie's Tenantry, Lodge Hill, and some areas of Cave Hill to make way for the Industrial Access Road. [Excerpts] [Bridgetown SUNDAY ADVOCATE in English 20 Jan 85 p 1]

CSO: 3298/405

CHILE

FORMER MINISTER OF ECONOMY ANALYZES PAST YEAR'S PERFORMANCE

Santiago COSAS in Spanish 7 Feb 85 p 52-54

[Interview with Andres Passicot, vice-president of the Bank of the State and former minister of the economy, by Raquel Correa; date, time and place not given]

[Text] A year ago he was minister of the economy, on the same team as Carlos Caceres. He predicted very optimistically that Chile would have the highest growth and the lowest inflation of Latin America in 1984.

"I invite you to wait 10 months; if I'm not right, I'll eat my words," he told me. Thus, in January 1985, I called him on it, and he ate his words.

Ensnconced on the ninth floor of the Bank of the State, in the ample and elegant offices of the vice-presidency (with Persian rugs and paintings by renowned Chilean artists such as Pedro Lira), he not only accepted the challenge but agreed to make a comparison between the accomplishments of the Caceres team and those of the Collados team. He was well armed with statistics, as he was when he directed the National Institute of Statistics (INE).

Pursuing an undisguised penchant for public service and education, Andres Passicot (47, married to Maria Gloria Guzman, five children) has a commercial engineering degree from the University of Chile (although many assume he is from the Chicago School), where he was director of the Department of Economics and a researcher in the Economic Cycles Workshop. He worked in the Production Development Corporation (CORFO) and in the National Planning Office (ODEPLAN), and he is a partner in the consulting firm Geminis. He is well known for his economic reports and studies.

He should also be renowned for his overwhelming optimism, his positive way of looking at everything--even at the worst moments---and a sincerity that wells up from deep inside him and appears to be cloaked in scientific precision.

Difficult 1985

[Question] In 1982, when you were the director of the INE, you asserted that the "recessive adjustment" that began in September 1981 would last through the

first half of 1983. Now, tell me, when did the recession end? Or, better yet, has it ended?

[Answer] Indeed, the country began to recover in the second half of 1983, and that upsurge continued to accelerate through mid-1984.

His face is clear, with an extraordinarily transparent look. He wears a gold ring marked with his initials, and his face bears a constant smile.

His task for today excites him tremendously. (I try, without success, to imagine him depressed.)

[Question] The specialists fear that in 1985 the downward trend noted in the second half of 1984 will continue . . .

[Answer] The only thing I would like to see is an end to that fear. Unfortunately, given our record, it is not clear how the country can grow in 1985. But in economics and economic policy, there are always new developments. I hope that those developments, which are not known yet, will enable the country to keep growing.

[Question] What new developments? Because Minister Collados says that we will grow at a rate of 4 percent if we obtain some \$1.7 billion in foreign credit . . .

[Answer] That's right. The principal hindrance to growth in 1985 is still the availability of foreign resources. And the country can obtain those resources through various means: first, by improving the results of its balance of trade, for which it must strongly boost its exports and raise the price of copper to an average above 65 cents; second, by improving the volume of non-traditional exports beyond what has been predicted. The downward trend in interest rates must also continue, which would help us in the second half of this year. The other source of resources is foreign financing through credit, as the ministers in the economic sphere have been advocating.

[Question] And is there no other alternative that might help Chile's situation?

[Answer] Stop paying? (He laughs.) I would not dare recommend that.

[Question] What if some international conditions change?

[Answer] I have always contended that economic phenomena are closely linked to political phenomena. That is also the primary reason why the president of the republic made the change in ministers in the economic sphere last April.

Change in Team

I thought that the former minister of the economy of the Caceres team would hide behind the shield of his present position as vice-president of the Bank of the State to skirt the issue. To my surprise, he continued his analysis:

"Undoubtedly there were differences between the ministers in the political sphere and those in the economic sphere. And the president, justifiably in my opinion, wanted a united front in his cabinet. He decided to make it conform to the political side. I think that decision was well taken from the standpoint of the coherence of the cabinet."

[Question] But apparently that coherence began to fall apart soon, within the new economic team itself . . .

[Answer] I have heard that, in this rumor-ridden country. If that were the case, . . . I think that is not a positive development.

[Question] ECONOMIA Y SOCIEDAD, which is not considered an opposition magazine, says: "How will an economic team function with four extremes: Modesto Collados (Economy), Luis Escobar (Treasury), Simon Figueroa (ODEPLAN), and Enrique Seguel (Central Bank)?"

[Answer] I am really not aware of any major differences, to the extent of four "extremes" in decision-making. What I do think is that it is impossible to carry out a government policy without very tight coherence, not only within the economic sphere but between the proposals by the economic sector and those by the political sector.

[Question] There are some in this country who are still celebrating the fall of the Caceres team, while others are still in mourning . . . What is your view of the change, considering that you lived through it, first right there on the scene, and then in the banking sector?

[Answer] When I left the Ministry of the Economy I was preoccupied with myself. With Carlos Caceres we had done a very thorough analysis of the country's prospects for 1984, and we had reached the conclusion that it would be very difficult to do anything better than what we had proposed and reported to His Excellency on several occasions . . . When a new team came in and set about trying to surpass in several areas what we thought was the maximum that could be achieved, naturally I was concerned intellectually and politically about the fact that we had not been able to find the formulas for setting targets higher than we had after so many studies . . . But after the end of the year came, for which the projections had been made, I felt better about myself.

Analysis of 1984

[Question] Weren't the targets set by the Caceres-Passicot duo surpassed by the Collados-Escobar team?

[Answer] None of the goals of the Caceres team was surpassed.

[Question] Let's look at them, one by one. What growth rate did you predict?

[Answer] Between 4 and 5 percent.

[Question] And this team exceeded 5 percent. It achieved 5.9 percent, according to the official calculations.

[Answer] Correct. I always said it would be 5 percent, and there is written proof of that. Carlos Caceres was more prudent than I, and he preferred to talk in terms of 4 to 5 percent. I had no doubt that the country could grow by 5 percent. Actually, according to the Economic Commission for Latin America (ECLA), it has growth at a rate of 5.5 percent, and according to government figures (which are more accurate), the country grew by 5.9 percent. This growth, however--higher than we had predicted--practically all took place at the beginning of the year. In the second half, the growth rate was comparatively lower.

[Question] Still, the goal you had set forth was exceeded.

[Answer] Once the target was exceeded, there was a problem of timing . . . If we take a slightly longer period, the greater growth rate is made up for by a drop in the second half. We always thought it was preferable to have sustained and progressive, not erratic, growth. The 5-percent goal was exceeded, but for a very short period of time. And for this year a growth rate of about 4 percent is being mentioned, which is lower than what we were projecting in the 5-year program.

[Question] But you are skeptical that that 4 percent can be achieved.

[Answer] The information we have indicates that so far there has been no growth. But there can be new developments.

[Question] No growth? Does that mean zero?

[Answer] I think so. But there can be new developments. I fervently hope so. And within the bank, I am doing everything possible . . .

He says that people are saving, that as of 31 December 1983 savings deposits in the Bank of the State totaled 50 billion pesos, a figure which rose to 64 billion by last 31 December. He says that for housing, in the last 6 months deposits of 233 million have been received. He claims that the notes due amount to very little, and that the bank has 208 billion pesos in outstanding loans . . .

Returning to the goals projected by the Caceres-Passicot team and those achieved by the Collados-Escobar team, the former minister of the economy adds:

"We had projected that we would not lose reserves in 1984, and the country has lost some reserves. It is true that these losses are due to the very high interest rates on the international market and the lower than expected price of copper, but the fact remains that the country lost reserves, and something probably could have been done to prevent it."

[Question] The loss of reserves could have been prevented, but that would have had a tremendous social, human and political cost: 30 percent unemployment--including the Minimum Employment Program (PEM) and the Head of Household Employment Program (POJH)--when Collados-Escobar took over. And unemployment has come down.

[Answer] Our goal for unemployment---considering PEM and POJH participants to be employed---was 12 percent by the end of 1984. Although complete figures for 1984 are not yet available, I think it is unlikely that an unemployment rate of 12 percent will have been achieved. I think that this goal was also not achieved, and there is an additional problem: In Greater Santiago, there is more unemployment now than there was a year ago . . . And this team came in to cut unemployment.

As for the plan to have a surplus in the balance of trade (he continues, with no trace of vengeful glee to be detected in his words), the goal was to generate a surplus of \$1 billion, and they reached only \$300 million. Of course, the fall in the price of copper had an impact, but that does not explain the missing \$700 million. . . And there is one more target: We had planned for real wages, on the average, not to decline, but to improve slightly. And the political ministers thought that was not enough. Experience showed in 1984 that real wages actually fell. There is still one goal left, one of the most important: inflation. Our target was between 15 and 20 percent, while there was actually a 23 percent rise in the Consumer Price Index and a 36.5 percent climb in the Wholesale Price Index, which means that there is some repressed inflation that did not become apparent in 1984 but will this year.

After the Battle?

[Question] In this case, you are not only a general after the battle, but a general who was withdrawn from the battlefield right in the middle of the fighting . . . How can we know whether you could have met the goals you set forth?

[Answer] No one will ever know for certain. But the 1983 targets were met. And the growth obtained in 1984 is more the result of the old policy than the new one. In 1983 the GDP fell very little, unemployment was at 15 percent, there was a \$1 billion surplus in the balance of trade, we renegotiated the debt with the international banks, and we obtained the resources necessary to begin the recovery that took off in the second half of 1983.

[Question] Putting up the State of Chile as collateral . . .

[Answer] Only for the financial debt, and only for the 1983 and 1984 payments . . . I would like to clarify that this is not meant as criticism of the performance of the current ministers. I think they have done the best they could; I am simply relating the facts. We thought our goals could be surpassed and they could not. That proves that the country has a problem: There are people who continue to believe that economic problems can be resolved with solutions they call "imaginative" or "pragmatic," and the truth is

that economic problems can only be resolved with effort, with hard work, with constancy, and above all, with stable rules of the game.

[Question] The clear and constant rules must be laid down by government officials . . .

[Answer] Sure. And the facts show that the rules of the game changed too much. On 17 September four major economic measures were announced: the devaluation, 35 percent tariffs, draw-back and the delay of tax reform. Ninety days later, only the devaluation remained . . . Personally, I am happy that only the devaluation remained, but that is proof that the rules of the game keep changing.

[Question] Low tariffs had this country paralyzed, without production.

[Answer] That is not true (he says, as calm as anything). When there is an economic crisis, pressure groups seize the opportunity to demand measures that favor them, in the name of the crisis and lofty international interests.

Differences

[Question] Recently you compared the results of the two different teams; now I would like to hear your view of which fundamental aspects of economic policy have changed.

[Answer] Fundamentally and factually, Chilean economic policy has not undergone significant changes. What there has been is fear, on the one hand, and a desire, on the other hand, to effect major changes. The measures of 17 September 1983 were aimed at a change in orientation, in the sense of closing the economy and strengthening the role of the state, to the detriment of private activity. That situation, fortunately, was corrected 90 days later. There was at that time, perhaps, a desire to change the basic aspects of economic policy, but in my opinion, that was finally rectified. I see no substantial changes, and I have seen the Ministry of the Economy repeatedly assert the principles of the free market economy: freedom of pricing, private property, the fundamental role of the private sector.

[Question] What was indeed abandoned was the automatic adjustment.

[Answer] The automatic adjustment, which was based on allowing interest rates to adjust the system, had already been abandoned. The exchange rate was modified, interest rates were recommended, tariffs were raised, debts were rescheduled--all measures contrary to the automatic adjustment which ended, precisely, in June 1982.

[Question] In any case, the country appears to be better off now than it was a year ago . . .

[Answer] Better than 2 years ago. There is the 5.9 percent growth rate, of course.

[Question] And aside from one group, it could be said that in the majority of the nation there is a consensus of opinion against the policy that left Chile in such a severe state of prostration . . .

[Answer] We must not forget about the international crisis.

[Question] All in all, Chile is the most indebted nation in the world in relation to its GDP.

[Answer] Chile has always been one of the most indebted countries in the world in per capita terms. Always. You can't blame a system for something that would have happened anyway. All Latin American countries, following policies different from Chile's and with drastically different political systems, have suffered from the economic crisis. The only difference is that Chile made its great adjustment in 1982, and other countries have preferred to distribute the cost they must pay over a longer period of time.

[Question] EUROMENON, however, names Chile among the six riskiest countries in the world, along with Uganda, El Salvador, Sudan, . . .

[Answer] Indeed, for the foreign investor we are a risky country because we have a big debt, and because of other factors that foreign investors take into consideration.

[Question] Political factors?

[Answer] Political factors that do not make Chile look good.

[Question] It appears that the international banking community is concerned about the stability of governments, not their political leanings . . .

[Answer] I think it is interested in everything. And one thing that will receive more attention in the coming years is attracting foreign investment. We should be very dissatisfied with what has actually come into the country. Given that we are highly indebted, the only way to obtain external resources is through direct investment.

8926

CSO: 3348/376

19 March 1985

INACH ANTARCTIC EXPEDITION COMPLETES FIRST STAGE

Santiago EL MERCURIO in Spanish 31 Jan 85 p C-3

[Text] The first stage of the 21st Scientific Expedition of the Chilean Antarctic Institute (INACH) to that icy continent was completed without a hitch. The fieldwork phases of 14 scientific projects were carried out during that stage, using the Capt Luis Alcazar motor ship as a floating base for logistical support.

The ship, under the command of Capt Manuel Lagunas, left Punta Arenas the 4th of this month, and after crossing Drake's Passage in heavy seas, it arrived in the cove of Fildes 4 days later.

There, where the Teniente Marsh Base is being built, 23 scientists who had been flown into the area boarded the ship to begin a long itinerary that is scheduled to cover the length and width of the Strait of Bransfield.

Every time the ship landed somewhere, groups of two or three researchers would get off and go to their assigned areas to begin their fieldwork in ecology, vegetation, benthic communities, geology, seismology and other disciplines.

In following this itinerary, the expeditionaries under the command of the director of INACH, Capt Ruben Scheihing, visited the Chilean bases of Capitan Prat, Bernardo O'Higgins and Gabriel Gonzalez Videla, as well as INACH's own Spring refuge.

They even visited some foreign bases, such as Brown and Melchior of Argentina, and the U.S. Palmer Base. At all of them they were welcomed with great demonstrations of friendship and cordiality.

Master Maneuvering

Suspense was not lacking in this stage. Navigating through the Antarctic passage, at the extreme northern end of Tierra de O'Higgins, in an attempt to enter the always inhospitable Weddell Sea, there was a moment when the ship appeared to be trapped in a chain of enormous icebergs. Fortunately, a master maneuver ordered from the command bridge of the "Alcazar" enabled the ship to turn 180 degrees. The attempt to enter the sea was abandoned, it was reported.

The return of most of the scientists--some remained until the end of February--including the chief of the expedition, marked the end of the first stage. An oceanographic cruise of international importance is now going on aboard the same ship.

CHILE

NATIONAL PLANTS TO SUPPLY COPPER CORPORATION'S ENERGY NEEDS

Santiago EL MERCURIO in Spanish 2 Feb 85 p C-5

[Text] CODELCO [Copper Corporation]-Chile will be the main consumer of coal on the national level when the thermoelectric powerplants planned to supply power to the copper divisions are put into service. The last of them, the No 14, which will supply the Chuquicamata mineral, will be put into operation in July 1987.

This year, coal consumption will amount to 700,000 tons, increasing to 1 million tons by 1988. It is planned to reach 1.3 million tons in 1991.

The company's supply manager, Pedro Lasota, stressed that, "This is a completely new market, which will have to be supplied by the existing entities or some to be developed in the future, considering the enormous volume that our requirements will represent, accounting for nearly a 100 percent increase in the current demand for coal throughout the entire country."

The executive remarked that, at present, CODELCO-Chile is consuming an average of 300,000 tons per year, because there is only one thermoelectric powerplant in operation, namely, the one for the No 12 unit, which was opened in May 1983.

He also noted that, this year, the corporation would spend about \$20 million on coal purchases; a figure which was slightly lower in 1984. In the future, that number could increase to \$60 million.

Only Native Coal

In an interview with EL MERCURIO, Pedro Lasota explained that coal meets approximately 30 percent of CODELCO-Chile's energy requirements; a percentage which will reach 70, based on the plans that have been devised.

He added that the entity also uses other fuels, such as Enax-6, which is produced by the Petrox Refinery in Concon, and supplies, basically, the Chuquicamata foundry, as well as the Potrerillos foundry in El Salvador and the one in El Teniente. The light-type fuel, such as diesel oil, is used for the equipment to move material, such as the Chuquicamata trucks.

Upon being asked about the company's energy policy, the official said that there is a firm decision in the corporation to use only Chilean fuels.

He commented: "Our fuel sellers are the branches of the National Petroleum Enterprise (ENAP), whereas we purchase the coal from the branches of the Production Development Corporation (CORFO). The entire supply is associated with the local industries. Of course, some of the oil is imported, because the crude is not produced in Chile; but we have contact only with native firms."

As for the concern expressed by workers from the National Coal Enterprise (ENACAR) over the possible purchase of coal from foreign companies, the supply manager emphasized: "CODELCO-Chile will be supplied only with native coal; that is a policy established since 1979, when the construction on the No 12 unit began."

In this connection, Pedro Lasota explained that, on that occasion, a study was made of the feasibility of using the five leading types of coal which are produced or could be produced in Chile; and it was determined that all of them could be used by the corporation. It was for this reason that the original idea of supplying the thermoelectric powerplant with oil was scrapped, and the option of coal was adopted.

"It was then that it started using the native product. At that time, CODELCO adopted as a policy that it would not use imported coal. The No 13 unit, which will go into operation at the end of this month, will also use Chilean coal. And, since May 1984, we have been using in Tocopilla coal coming from Lota, Schwager and other entities. Tests have also been made with samples taken from the Beckett deposit, near Punta Arenas."

The official then explained that, last September, CODELCO issued a call for bids, to determine which companies would be the ones responsible for supplying coal to the Tocopilla powerplant, starting in 1986 and until 1991.

"This proposal is being evaluated right now, and there is not yet any decision; but it has been made quite clear that the coal to be purchased will be Chilean. No foreign company was invited to participate. What has been made public are petitions from the workers in the coal enterprises expressing their interest in being able to participate in the supply of coal to the Tocopilla powerplant. But, as I have told you, this is being evaluated. We don't know yet how the purchase of this coal will take place. There are different options. What has been determined and what is part of the corporation's policy, is that it will be purchased only from native producers."

2909

CSO: 3348/375

CHILE

ANTARCTIC TOURIST FLIGHTS AROUSING WIDE INTEREST

Santiago FRCJLLA in Spanish 6 Feb 85 p 4

[Text] Between 28 March and 6 April of this year, three passenger flights will go to the Teniente Rodolfo Marsh Base in Antarctica, coordinated by the National Tourism Service (SERNATUR).

The opening of this new Chilean tourist spot last August has sparked enormous interest throughout the world in these expeditions, the main attraction being the opportunity to stay at an Antarctic base.

The Chilean station is located in a privileged place in the white continent's geography, since it is on the Antarctic Peninsula and its environs where the largest populations of flora and fauna are found in this territory. In addition, the scenery there constitutes a tremendous tourism asset.

Visitors can observe several species of penguin on rookeries that boast populations of more than 10,000 penguins at times. They can also see sea lions, different species of seal and sea elephants, and the remains of whales. There is also an unexpectedly wide variety of lichens and mosses.

A short distance away by helicopter, tourists may observe the spectacular hanging glaciers, ice barriers, fjords, channels and mountainous regions, and can also visit foreign scientific stations.

The next flights, on Hercules C-130s belonging to the Chilean Air Force, will take 40 tourists from Punta Arenas on each trip.

These tourists will stay for 4 days at the inn on the base, the only one in the entire Antarctic territory.

The National Tourism Service will make a special effort to ensure that the tourist traffic does not affect or alter in any way the ecological balance of the area, as well as the scientific studies that are being carried out there. It has hired specialists who will guide the tourists through the protected areas and give lectures on the present and future of Antarctica.

The tours, coordinated by SERNATUR with the support of the Air Force, are being marketed in Chile and abroad by the Lan-Chile and Ladeco airlines.

This joint initiative is turning this Chilean base into a new world tourist attraction, capable of providing the accommodations and infrastructure necessary to bring an increasing number of tourists to the Marsh Base, considered the international doorway to the white continent.

CHILE

STUDY DETERMINES FISH EXPORT MARKET POSSIBILITIES

Santiago EL MERCURIO in Spanish 2 Feb 85 p C-4

[Text] Chilean ocean products can compete to advantage with those of other nations on several foreign markets. This has been learned from a study on the subject made recently by PROCHILE [Institute for Export Promotion] and UNDP [UN Development Program].

The study analyzes the possibilities of exporting non-traditional fish products to the markets in Oceania, Southeast Asia, Egypt, the Middle East and Spain.

The countries visited may be grouped into three major categories:

1. Dynamic markets with difficult access but great potential: Fiji, Papua New Guinea, Australia, Egypt and Malaysia;
2. Competitive markets with moderate growth in which Chile already has an established presence: Singapore, Spain and South Africa;
3. New markets, with difficult access and less potential: Saudi Arabia, the Union of Arab Emirates and Kuwait.

In the first group of countries, it was possible to identify an already developed market for canned sardines and mackerel in Fiji, Papua New Guinea and Malaysia, wherein Japan is the leading supplier. There, Chile has a slight participation in Malaysia and Papua New Guinea, and is unknown in Fiji, despite the comparative advantages that it has for exporting canned sardines, saurel and mackerel.

The current import markets of those nations represent \$6 million for Fiji, \$22 million for Papua New Guinea and \$20 million for Malaysia.

In all of them there was a favorable reception of Chilean products, which can compete suitably with those of other countries, with care for their appearance and quality, attractive starting prices and stringent fulfillment of the delivery commitments.

Those nations have no opportunities for producing them locally, and the competitive foods, such as poultry, beef and pork, have a very high price or are not consumed for religious reasons, as in the case of Malaysia.

As for the frozen fish, there are excellent possibilities in Australia and Egypt.

In the first-named country, there is a growing demand for frozen hake, particularly in fillet form; and, to a lesser extent, for chimaera and conger eel.

The Chilean hake which arrives on that market is sold by Japanese firms. The Australian importers recognize and appreciate the origin and quality of the hake coming from our country, and are greatly interested in doing direct, stable business with Chilean companies in the future.

The market for frozen fish amounts to 32,000 tons per year; that for hake is estimated at 10,000 tons.

At present, Egypt is one of the leading world markets for imports of frozen sardines, saurel and mackerel; and is estimated at over 100,000 tons per year.

The Egyptian state enterprise, Egyptian Fishing Marketing Corporation, expressed great interest in the possibility of importing frozen sardines and saurel from Chile. In that same country, interesting opportunities are offered for marketing canned sardines and saurel in 425-gram containers. Insofar as the second group of countries cited is concerned, Chile is successfully exporting fresh and frozen hake, as well as frozen conger eel. The market for fresh hake imports amounts to 9,000 tons; and that for frozen hake totals 10,000 tons. Our country shares in it with 4.4 and 30 percent, respectively.

The possibilities for supplies from Chile have increased considerably, and this should be used to advantage by companies with a majority of native capital.

Singapore has been importing canned sardines, and canned and frozen locos, from our country. That nation's port and its adjoining free trade zone offer an excellent base for serving other markets in the region more efficiently and in a more timely manner, such as Malaysia, Indonesia, Sri-Lanka, the Philippines, Papua New Guinea and Fiji. A large portion of Singapore's imports is subsequently reexported to other countries of Asia and Oceania.

2909

CSO: 3348/375

CHILE

UNIVERSITY ESTABLISHES WOOD ADHESIVES LABORATORY

Santiago EL MERCURIO in Spanish 31 Jan 85 p C-5

[Excerpt] A modern adhesives laboratory, which will allow for an improvement in the lumber industry's national production, has been opened in the Wood Technology Department, subordinate to the School of Agrarian, Veterinary and Forestry Sciences of the University of Chile.

The ceremony was attended by the dean of the school, Jose Garrido Rojas; the Chile Foundation's manager of forestry projects, Gustavo Chiang; the secretary of the Embassy of Japan, Takayuki Sahara; the FAO representative, Torsten Fritz; and university authorities, representatives of the National Forestry Corporation (CONAF) and executives from panelling and adhesive industries.

Many Years of Effort

The director of the Wood Technology Department, Prof Emilio Cuevas Izquierdo, stressed the fact that the laboratory was the materialization of many years of effort and sacrifice, and that it would operate in conjunction with other laboratories in the department in solving the problems of production in the forestry sector.

Eng Luis Eduardo Manriquez, chief of the forestry industrial area, for his part, remarked that, starting in 1981, it became possible to have academic personnel specialize abroad (in France, Japan and the United States); something which resulted in major development for instruction, research and extension to the industrial and public sectors.

Private Sector

He also issued an appeal to the private area to cooperate in the execution of joint projects of mutual benefit and in publishing a series of research projects that have been carried out, including "industrial use of giant pine waste," one of the accomplishments of which was the preparation of a water-resistant adhesive offering other features which make its use in industry suitable.

2909

CSO: 3348/375

CHILE

BRIEFS

FRENCH CREDIT FOR CONSTRUCTION--Yesterday, for the purpose of exchanging new ideas concerning a loan from the French Government to be used for the construction of the first phase of the Santiago Metro's Line 3, Brig Gen Bruno Siebert, representative of the French banks and of the SOFRETU and Clifford Turner engineering firms, met with the minister of public works. The first phase of the Metro's Line 3 will extend from University of Chile station to Chacabuco Square, going through Mapocho station, at a cost of \$240 million. The French credit, which is in an advanced stage of negotiation, amounts to approximately \$137 million. This amount accounts for 100 percent of the component in foreign currency and a significant portion of the national component of the loan. [Excerpt] [Santiago EL MERCURIO in Spanish 31 Jan 85 p C-5] 2909

AGE OF JOBLESS INCREASING--Research conducted by experts from the University of Chile's School of Economics has disclosed that, recently, the average age of jobless individuals, as well as their educational level, have increased. The work was done by the scholars Luis Riveros and Andres Diaz, and was published in the latest issue of the Journal of Economics, the official organ of the aforementioned school. Another fact determined is that there has also been an increment in the total number of persons unemployed for over a year. [Excerpt] [Santiago EL MERCURIO in Spanish 31 Jan 85 p B-1] 2909

NEW CIEPLAN DIRECTOR ANNOUNCED--As of 15 January, economist Jose Pablo Arellano will begin serving as the executive director of the Economic Research Corporation for Latin America (CIEPLAN). He is replacing Ricardo French-Davis, who is returning to his work as a member of the executive committee and coordinator of research in economics and international relations of that agency. Arellano earned a degree in commercial engineering at the Catholic University of Chile, and later received his doctorate from Harvard University. He has been a member of the permanent team of researchers at CIEPLAN since 1975, when the corporation was formed. He has also taught at the University of Chile and Catholic University, the Latin American Institute for Social and Economic Planning (ILPES), the Economic Development Institute of the World Bank, the Graduate School of Business Administration (ESAN) in Lima, and the University of Notre Dame. His research has focused on the fields of social policies and the distribution of income, social security, macroeconomics and employment, the financial system, savings, investment and foreign indebtedness. [Text] [Santiago HOY in Spanish 4 Feb 85 p 11] 8926

CSO: 3348/376

CUBA

ANTIQUATED PHONE SERVICE IN HAVANA PLAGUED BY MANY PROBLEMS

Havana BOHEMIA in Spanish No 50,14 Dec 84 pp 28-34

[Interview with Rene Hernandez Cartaya, First Vice Minister of Communications, by Gregorio Hernandez, date not specified]

[Excerpt] The triumph of 1 January 1959 opened a new stage in the country's economic, social and political life, one full of changes. The transformation that has taken place makes the public utilities, obviously including communications, of primary importance. When the Revolutionary Government took power, it found an underdeveloped Ministry of Communications that dealt only with postal and telegraph services. The other, more profitable activities had been in private hands, both national and foreign.

One of these private entities was the Cuban Telephone Company, a subsidiary of the Yankee transnational monopoly ITT. It provided telephone services, and by bribing the Batista dictatorship, had received authorization to levy substantial rate increases. Naturally, it was universally detested by the people. Also, sheltered by tariff exemptions on the pretext that it needed to import equipment for expansion, it created the entity known as Equipos Telefonicos Standard de Cuba S.A., which was in fact simply a subterfuge to bolster its already colossal profits.

Understandably, all these lucrative manipulations came to an end, and a little over a year later, on the historic date of 6 August 1960, the Cuban Telephone Company was turned over to the people along with other powerful U.S. enterprises that had exploited the country.

Twenty-five years after that measure to salvage the unpopular ITT subsidiary, the Communications Ministry can boast of generally impressive accomplishments. The development the country has attained in this field is well known, so we do not feel it is necessary to go into detail. There is one aspect, however, which we should stop to examine thoroughly because we believe it has not kept pace with other activities in the sector. Specifically, we are referring to telephone service, primarily that which is provided in the City of Havana Province. That area accounts for more than 50 percent of national traffic.

Against the background of this situation, which represents a daily affront to capital residents, we asked for an interview with Rene Hernandez Cartaya,

first vice minister of communications, to talk about the situation and thus inform our readers about what is happening and why, and what is being done to resolve the crisis in this essential service.

The interview took place in a dynamic atmosphere. The second in command of the ministry invited us to "go out into the street" along with some officials of the City of Havana Communications Enterprise so that while we talked we could get a first-hand look at what the workers of this sector are doing to keep the service going despite the lack of elementary resources. We would also be able to find out about the problems that plague the facilities and, above all (as became apparent in the lively conversation), explore the measures that are to be taken immediately and in the short and long terms to alleviate or eliminate this crisis, which has become a source of irritation for those who need the service. As we all know, in modern city life this service is of the utmost importance.

Here is the text of the interview:

[Question] Comrade vice minister, the City of Havana is facing a drastic and widespread deterioration of telephone services. What is the reason for this critical situation?

[Answer] We do face a critical situation, but we know what to do and how to do it. That was the subject of an exhaustive and detailed analysis during the fifth regular session of the National Peoples Government Assembly when Comrade Minister Pedro Guelmes Gonzalez presented his report to the Cuban people, through that legislative body, on the achievements of our agency.

[Question] You say that you know what to do and how to do it. Could you explain that fundamental point further?

[Answer] Better yet, we are doing it already. We are aware that the phone service in the City of Havana requires a revolutionary transformation on all levels: the organization of operation and maintenance; the introduction of new techniques for switching and transmitting, and of course computing, both in terms of future investments and especially with a view to improving current maintenance and operation; the introduction of new advanced-technology services such as data transmission support, computation and others; and basically, the method by which our cadres work and the demand for quality on all levels.

[Question] What you are saying is obvious, but in spite of all that we still aren't getting positive signals.

[Answer] Certainly we have not yet been able to attain the level of organization and quality that would enable us to exercise more efficient control so that service interruptions can be eliminated within the established periods, utilizing available resources more effectively. The serious deterioration of our cable network, the excess number of telephones installed, beyond permissible limits, the current heavy level of telephone traffic, the loss of parameters through years of intensive use, plus the shortage of materials, spare parts and specialized tools, all require that we implement better

methods of administration, organization, control and discipline in maintenance and operation, especially for the purpose of eliminating interruptions in service.

[Question] Considering the negative aspects you just listed, we assume some plan has been formulated, with a target date, at least to alleviate the present situation. Is that correct?

[Answer] Yes. The plans that have been laid out in response to the demands of the situation I described are in the process of being finalized and applied. That process began at the end of last year, so by the end of this year you will begin to see improvements in telephone service in the City of Havana, especially in public telephones, where the situation is the most critical. We should also state that we have been hit hard by the worst crisis in recent years in the transportation sector.

[Question] You emphasized the public telephones, which practically do not work at all or are very difficult to use. Can you explain the reasons?

[Answer] In the City of Havana there are about 3,400 public or coin-operated telephones, of which approximately 98 percent come from the capitalist era and 70 percent have been in use for more than 28 years. For this reason, there is a shortage of spare and replacement parts, and it is difficult to repair and maintain them.

This equipment, moreover, is the most susceptible of all our phone service to any kind of problems, such as improper use of the dial, mistreatment and vandalism, damage caused by dishonest people. If in addition to all this we consider that the pay phones must accommodate heavy traffic, that is, they are used intensively and located in unsheltered areas; that the problems we face internally as well as externally affect their functioning; and that our current organization for maintaining them and collecting from them is not the best, we can see why the service we provide in the public or pay telephones is deficient.

[Question] But precisely because of all this, the solution is even more urgent, right?

[Answer] To solve this pressing problem of the public telephone service in the City of Havana, our agency and the Communications Interprise has implemented a plan which basically entails increasing the number of repair and collection workers. These people are being trained now. The plan also calls for setting up zones in which service personnel will operate, relocating stations to areas where they can provide more and better service and can be better protected, revising the pay system for workers so that they can be provided incentives for high quality service, and stepping up the supervision of the system so that irregularities in the operation of telephones can be detected promptly.

Furthermore, in the near future we will put in operation an automatic system to detect units that are out of order. This equipment was designed by the

Communications workers. A prototype has been built and tested with satisfactory results, and as soon as the components arrive (they are being purchased now), the system will be built and put into service.

[Question] Could you expand on the relocation of the pay phones?

[Answer] This is a step that we must take in very close cooperation with the Peoples Government agencies so that in their new locations the public telephones can continue to serve their social function in pharmacies, Committees for the Defense of the Revolution (CDR) zones, service stations, and other places that are open all the time or for long hours. We can state that we have already relocated some 500 pay phones to CDR zones, with encouraging results.

[Question] Staying with the public telephones, we know that nationally-produced equipment of this type has already been installed. What future do you see for this Cuban product?

[Answer] In 1984, 250 nationally-produced public phones have been built or installed, and the plan calls for more than 400 units by the end of the year. Our Ministry plans to build 500 units a year in the Communications Workshops Enterprise, to be installed in the City of Havana and other provinces. Among the improvements we have made is the coin box, whose capacity is double that of imported telephones.

[Question] A high official of the Havana Communications Enterprise told us on one occasion that "quality telephone service requires an adequate level of transmission and reception, so that we can hear and be heard, without annoying noises . . ." Nonetheless, lately there has been practically no privacy in conversations, the result of contact between two lines, among other factors. What is going to be done to achieve the necessary quality?

[Answer] At this time there are technical deficiencies in service, due primarily to two causes: one, the state of technology of the telephone exchanges, which are old and naturally deteriorating. This leads to contacts, short circuits, cut off calls, and other problems. This situation will improve when we get the supplies we are expecting. The other cause is that our network of outside plants is in even worse shape.

Now, independently of these circumstances, work is being done on the exchanges and the cable network in order to improve the quality of service. There are also plans to train new operators to give them more technical background so that they can overcome the technical difficulties that arise in the equipment. This equipment has been in service for more than 35 years, some more than 50.

These projects entail the simultaneous or parallel implementation of technical studies, measurements, tests and analyses so that recommendations can be made concerning the installation of equipment to improve transmission levels, the replacement of existing technology, the introduction of new technology, and improvements in organization, changes in connection systems, and projects to restore installed capacity.

In addition, the inter-plant trunklines and the local distribution lines are being measured. Work is also being done to improve the maintenance of telephone exchanges, to put the cables under air pressure, to reconstruct entire installations in agencies and residences of customers (the latter in part of Old Havana). A new connection system is being implemented to improve quality, and the maintenance of the outside plant is being organized according to zones.

[Question] The utilization of the telephone line corresponding to the 80 numbers is really a headache for customers. Are there plans to do away with this bothersome situation?

[Answer] First we should say that the telephone exchange corresponding to the 80 numbers was an experiment carried out in Cuba by the U.S. firm ITT, and the results were so bad that the transnational corporation did not repeat that type of circuit in any other country. Thus, we can safely say that this is the only exchange of its kind in the world.

If this system posed problems when it was new, today after more than 30 years of service, without spare parts or components, it is no surprise that it is even more problem-ridden. You can imagine the efforts the workers have to make to keep it running even as deficiently as it does.

Therefore, the only possible plan is to replace this system, and the Ministry of Communications is in the process of acquiring the necessary resources. It will not be able to carry out the replacement, however, until the beginning of the next 5-year plan. Meanwhile, we will make every effort to keep it in working order.

Elaborating on this matter, we can add that many innovations have been developed, and we plan to replace the system in stages. The first phase will involve the replacement of at least 2,000 of the 9,000 lines in the system, and to use the components of the removed lines as spare parts.

I think we should also mention the Aguila exchange, which corresponds to the 6 and 62 numbers. It was installed in the decade after 1910, meaning that it has been in use for more than 70 years. We are providing service with this equipment thanks to the inventiveness and efforts of our workers. To be more precise, it should be noted that 52 percent of the total number of lines installed in the City of Havana are more than 30 years old, that 80 percent are of U.S. origin, with an average age of 33 years.

[Question] Comrade Vice Minister, the telephone directory leaves a lot to be desired when one needs to consult it. Will it be revised to make it more efficient?

[Answer] The current Telephone Directory of the City of Havana dates back to 1979, and while, as you say, it is generally out of date, given the movements and changes, ups and downs of the last 5 years, it is also true that other factors have played a role.

Until 1980, the equipment used by the City of Havana Communications Enterprise to compose and format the directories consisted of IBM machines that had been in use for more than 20 years. Thus, their technical level was not up to the task at hand, and there was also a shortage of ribbons for these machines from the capitalist bloc.

Considering all these factors, the Ministry of Communications contracted to buy new equipment that, once in place, would enable its employees to put together the directory and also provide the rapid information service the public requires when it dials 113.

This year the equipment was put into operation, but first a program of civil projects, adaptations, and personnel training had to be carried out, and the panels that make up the pages of the directory had to be transcribed to the new system.

Moreover, we have encountered problems in purchasing the necessary material, especially paper. At this time the City of Havana Communications Enterprise is undertaking the review and composition processes, and once it contracts and purchases the material, it will be able to put out a new directory in 1986, in coordination with the Ministry of Culture.

[Question] There are thousands of applications for new telephones, and even transfers, that have become backlogged over several years. What information can you give us about this pressing problem?

[Answer] In another part of this interview we talked about the saturation of our exchanges in the City of Havana. Along these lines, in general we should not install new facilities because every new telephone we install further taxes our ability to provide service and aggravates the situation, unless we make the necessary investments.

In spite of this, there are always ups and downs, and the enterprise's policy is aimed at giving priority to transferring phones and handling applications, to the extent possible, in those rare exchanges where there are equipment facilities (numbers) and cable facilities (pairs).

In addition, we are installing new exchanges, and we plan to install others over the next 5-year period. They will be able to handle much of the backlog of transfer and new phone requests, and also to alleviate the overload of the old exchanges by taking over many of their numbers.

It should not be forgotten that in our country telephone service has been brought to the most remote areas, and even though the nation's purchasing power has been extremely limited, we have spared no effort to fulfill a high percentage of our development plans for service. We have also made a good start toward implementing automatic dialing.

[Question] Since you brought up automatic dialing, we understand that there are some problems with its operational quality, especially in communications with regions such as the Isle of Youth.

[Answer] The introduction of automatic dialing in our country has meant that now it is possible to make in just 25 days the same number of long-distance calls throughout the nation as were made during the entire year of 1958. There are still problems in providing this service, however, particularly in the City of Havana.

It should be recalled that this was the last province to have direct long-distance dialing, which began to be introduced in other provinces in 1975; in our capital, it was introduced just a little over a year ago. The short time it has been in effect in the capital means that some problems have not yet been overcome, such as: initial technical difficulties in connections (we are already working on solving them); the need to upgrade the skills of the technical personnel in charge of maintaining these facilities; and the overload of telephone traffic which leads to congestion, both in the City of Havana and in the local networks of the provinces being called. Our country has the largest number of calls per capita, owing partly to the fact that local calls are not metered.

Calls to the Isle of Youth have also been plagued with these problems, in addition to the fact that in this case more long-distance channels are needed. Another problem is that in local numbers, which used to have four digits, an initial 2 was added to make a five-digit total. We did not publicize this change well enough, so some customers cannot make their calls successfully because they do not know the new number.

[Question] On more than one occasion during this interview, you have stated that there are programs to modernize the telephone networks of the capital in the long run, including the installation of new exchanges in various zones that have developed particularly rapidly. Will that solve this eternal problem here in the city, which, like the rest of the country, has been undergoing steady economic, social and demographic growth?

[Answer] Three new exchanges are being installed in the City of Havana, which will begin operations next year. They should improve service to the peripheral areas of the capital where telephone facilities are the most scarce: Alamar, La Cumbre, San Miguel del Padron, and Cubanacan.

These lines will be installed in phases which will be stepped up as we are able to import more of this technology from socialist countries.

In 1985 we will begin to install 5,000 lines in Aguila and Dragones to replace part of the 80-number lines, and to improve the situation of the 6 and 62 lines which are in very bad shape technically.

By 1986 we expect to begin installing the following new exchanges: Plaza de la Revolucion, Rampa, Fontanar and Regla. They will also be installed in stages, and by the end of the next 5-year period these expansions and replacements of obsolete equipment should be able to alleviate somewhat the overloaded system of the City of Havana. These investments will not substantially improve the facilities, however; larger investments will be needed over the next few years to expand the lines as required by demand, and to replace the most obsolete equipment.

Moreover, these investments will depend on our ability to resolve the difficulties we face in the construction of buildings, since the technology and the personnel required for the installation, assembly and maintenance are assured.

[Question] Comrade Vice Minister, there is something that cannot be left out, since you have mentioned investment of resources, material consumption, etc., and this is indeed the last question. How do these expenses fit in with the country's real possibilities?

[Answer] All these plans--and this is essential--will be carried out with the highest possible degree of productivity and economic efficiency, based on the conservation of resources, especially those which must be imported. We will also give priority to those areas that are most important for the development or stimulation of our economy and fulfill social needs.

In other words, our efforts will focus, for example, on orienting expenditures toward savings "targets" (controlling spending on international traffic), "zones" that bring in foreign reserves (basic export industries, tourism, international financial management agencies, international events, etc.), and social objectives (better service to hospitals, public utilities and agencies) with a direct impact on the economy.

In sum, our expenditures have an immediate positive effect on the stimulation of the economy, both internal and external. Therefore, improvements in the telephone network of the City of Havana not only pose a challenge for the Ministry of Communications, but represent a problem that absolutely has to be resolved.

Information and Complaints

In the middle of this year, new equipment was inaugurated for the Information System (113), replacing the deteriorated system inherited from the administration of the Cuban Telephone Company.

This new system operates 24 hours a day with 18 positions manned by readers who work with a coordinate system, which helps them locate the numbers requested by customers easily and rapidly, while treating the customers courteously.

At present, by dialing 61-9991 in the information system the public can learn about the automatic dialing service (automatic long-distance) and any other aspects they may wish to ask about.

There are problems, but they are minor and of a technical nature. They should be resolved during the 1985-86 period.

8926

CSO: 3248/234

CUBA

FOLLOW-UP TO INSPECTION OF CATTLE CENTER ATTRIBUTES BLAME

Havana BOHEMIA in Spanish No 49, 7 Dec 84 pp 39-41

[Interview with Rene Rodriguez Gonzalez, director of the Havana Feedlot Enterprise, by Reinaldo Penalver Moral; date, time and place not given]

[Text] Even the director of the Havana Feedlot Enterprise, Rene Rodriguez Gonzalez, who is responsible for the operation of four feedlots in the Province of Havana, including the Galope lot at kilometer 77-1/2 of the central highway in the municipality of Artemisa, acknowledged during an interview with this reporter that more than 80 percent of the irregularities and violations detected by the municipal prosecutor's office during the overall inspection conducted on 16 and 17 February 1984 "were due exclusively to negligence and selfishness."

Rodriguez Gonzalez stated that of the 68 measures recommended in the municipal prosecutor's final report, "44 have already been taken, and we are working on the rest."

In other words, in just a few months solutions have been found for a series of problems and defects that damaged the country's economy for years, and also posed a more serious threat to the health of the 282 employees who work at this gigantic "meat factory" of 25,000 head of cattle.

This plan, which must be submitted to the prosecutor's office within 20 days, is a response to the prosecutor's recommendation that a provisional file be opened after the inspection.

Later, 30 days after the receipt of the plan, the prosecutor's office has scheduled a visit to the site to verify claims that the violations detected have been corrected. If the recommendations have been implemented, the prosecutor's office will conclude the case and officially file it.

Why was the Galope feedlot inspected? It is useful to note that the inspection of this feedlot took place on the basis of complaint registered by the workers of the center to the effect that a costly Japanese-made irrigation device valued at \$67,000 had been sitting idle in a warehouse at the feedlot for more than 5 years.

The complaint also stressed the problems of environmental pollution, in addition to the alarming increase in mortality among the animals, which reached 294 head in 1983. In the month of January 1984, the figure was the same as that of the same month in 1983.

In the inspection by the prosecutor, accompanied by specialists in occupational medicine, veterinary medicine, public health, fire prevention, etc., 68 violations were noted of the following laws: 24 of the Occupational Protection and Health Law; 24 of Law 1321 on Physical Protection; 16 of Law 1268 on Fire Protection; and 4 of Law 1288 on Recovery of Raw Materials and Other Materials.

Among the most significant violations of the Occupational Protection and Health Law was the deplorable accumulation of manure in the corrals, as well as the 19 clogged drains that were surrounded by dense clouds of flies. Not only did this situation aggravate the environmental conditions of the livestock, but it directly threatened the health of the workers, who did not receive regular medical check-ups and were not provided with the proper protective gear for this arduous task.

In addition, in clear violation of Law 1321 on Physical Protection, there was no daily count of the animals or any control of outsiders who came and went. At the end of last year, we were told, 52 cattle were unaccounted for.

In conclusion, so as not to go into all the violations one by one, which would make this article too long, we are presenting a few of the photographs that were taken during the inspection, allowing the reader to make his own judgment.

Now, then. I knew, dear reader, that you would ask this question: Who is responsible for this situation? In the literary case of the "death of the Commander," the culprit was the entire town of Fuente Ovejuna; but what happened in Galope is apparently the fault of the former administrator, who weeks before our visit to the place was punished by being "transferred." To administer again? That is possible . . . There is another in his place now, naturally someone who had no responsibility for the situation in question.

The BOHEMIA reporters, however, were shown around by Rene Rodriguez Gonzalez, director of the Havana Feedlot Enterprise. With more than 5 years' experience in this field, he does indeed know all the details of the problem that arose at Galope.

How can this have happened when one of his primary functions is to make sure it does not happen? He told us at the beginning and he repeats it again: "Everything was due to selfishness and negligence," he says, while inviting us to tour the facilities of the feedlot to see how many of the problems that seemed impossible to resolve for lack of resources are now beginning to be dealt with.

"You will see how clean the facilities are, and you will see the new gates we are putting in the corrals. You will also be able to look at the work being

done to clear the drainage ditch where the 19 canals flow, through which all the liquid waste of the feedlot passes."

He continues to comment during the tour: "We are already building the new slaughterhouse, which is in the final stages, and we will install four coolers (refrigerators) there. We are also in the middle of building and outfitting a new cafeteria for the workers, since the present one is in a dismal state. We think that by next 15 November it will be finished."

There is no doubt--and we can provide graphic evidence of that--that the positive changes being brought about in the surroundings are obvious. Structures are going up all over the place, and the workers show a greater enthusiasm in carrying out their tasks.

[Question] But why didn't this situation change before the prosecutor's visit to the site? Didn't you ever visit this feedlot before? Didn't you ever talk to the workers?

[Answer] I was aware of what was happening here. The enterprise had reported all these problems to the Ministry of Agriculture, but the difficulties that arise in a feedlot of this kind are quite complex. Especially here in Galope, which is considered one of the largest in Latin America.

There were also problems with the collection of manure. There is an enterprise that is supposed to collect it and turn it into organic fertilizer, but they would not come and pick it up, and we did not have the proper equipment to do so . . .

I recognize that we are the ones primarily responsible for making sure things run smoothly here without the prosecutor having to come here . . .

Sure, we must acknowledge that after the overall inspection everyone was concerned about resolving the situation. We began to receive some new equipment, and other equipment that had been in the plants and workshops was retired . . . Now we still have to work on about 20 measures that will be very difficult to carry out because they require resources we do not have at this time. We will make an effort anyway . . .

[Question] Give me an example . . .

[Answer] Right now we have to continue dumping the liquid waste in the Las Piedras lake, where as you know fish are dying because of the amount of ammonia and urea contained in it.

It would be ideal for the 300 tons of waste produced daily by the animals to be collected in its entirety and converted into organic fertilizer or energy material (biogas), but the enterprise that is supposed to do that seems to be having difficulties, and we do not have adequate equipment, so there is very little we can do.

[Question] The important thing, in my view, is that you have been able to solve the problems that resulted from negligence and selfishness.

[Answer] That is true, and you might add that this entire process has been a lesson for the feedlot, a kind of alarm that has sounded, because as you have said so well, it is only a small step from negligence to crime. . .

This will never happen again here.

8926

CS0: 3248/235

CUBA

SUGAR, COFFEE ACCORD WITH LIBYA

Havana GRANMA WEEKLY REVIEW in English 3 Feb 85 p 4

[Article by Orlando Gomez]

[Text]

● CUBA AND Libya have signed a trade agreement by virtue of which our country will sell that Arab nation 60 000 tons of sugar and 750 tons of coffee this year, said Musa Abu Farywa, secretary of the People's General Committee for the Economy and Light Industry of Libya, in a meeting with the Cuban press shortly before returning home.

During his stay in our country, the Libyan official met with Carlos Rafael Rodríguez, member of the Political Bureau and vice-president of the Council of State, to whom he conveyed greetings from Colonel Muammar Qaddafi, top leader of the revolution and the Libyan state, to Commander in Chief Fidel Castro. He also met with Levi Farah, government minister, and other Cuban state and government leaders.

The talks covered subjects such as growing trade relations and technical and economic ties, along with the need for more exchange of experiences on Cuban construction projects in Libya. It was agreed that Cuban firms will participate in the next Tripoli International Fair, to be held in March.

The Libyan official expressed his admiration and respect for the gains of the Cuban Revolution: "Cuba is an example for developing countries and those struggling against imperialism and neocolonialism. This is why it has earned respect. We wish the Cuban people great successes now and in the future."

CSO: 3200/29

GRENADA

UK OFFERS LOAN OF 5 MILLION POUNDS FOR VARIOUS PROJECTS

St Georges THE GRENADIAN VOICE IN English 2 Feb 85 p 16

[Text]

GRENADA will receive a new loan of £5,000,000 from the British government.

This was revealed by Mr. Timothy Raison, Minister of Overseas Development to the British Parliament. The loan is to cover expenditure over a five year period. It is to be interest free and will mature in fifteen years time.

The terms of the loan specify a five year grace period. The offer includes a 60% grant element.

Mr. John Kelly, the British Resi-

dent Representative, made a formal offer of the loan to the Prime Minister of Grenada yesterday.

Discussions between the Ministry of Finance and the British High Commission will be held shortly on the allocation of the new loan.

This offer of £5,000,000 is the third major contribution made by the British government towards the development of Grenada. In November 1983 Grenada received a grant of

£750,000 and a further £1,000,000 was given in 1984. Grenlec was the major beneficiary of the 1983 and 1984 aid, having received equipment worth £630,000.

The Royal Grenada Police Force is the second largest beneficiary. Over £340,000 were spent on Police landrovers, equipment and on the renovation of many police stations.

The RGPFF has also benefitted from technical assistance funds

- a large portion of which was spent on Police training. Among the many projects which benefitted was the Banana Industry Support Scheme, the Central Water Commission, the Central Garage Unit, various Community development projects and the Happy Hill Secondary School.

Grants were made for the refurbishing of the Parliament building (£29,000) and for the building of a shore facility for the Grenada Coast Guard.

GRENADA

WORKERS IN UNION SWITCH FROM BGWU TO SWWTU

St Georges THE GRENADIAN VOICE in English 25 Feb 85 Bonus Special p D

[Text] Workers at Grenada Breweries Ltd (GBC) were "bored" with the Bank and General Workers Union (BGWU) and decided among themselves to seek better representation with the result that, by their initiative, they became members of the Seamen and Waterfront Workers Trade Union (SWWTU).

There was no poaching by SWWTU William Frank and Fitzroy Williams told GRENADIAN VOICE and this was later corroborated by Shop Steward Bernard

Castle . When workers found that they were getting no satisfaction from the BGWU and could not even see officials of the Union the workers directed then Shop Steward, Emerson McIntyre to go about looking for a new Union. McIntyre went to the Labour Commissioner for information and visited different Unions. In a survey of workers 65 out of a staff of 105 voted in favour

of SWWTU while several abstained. In the subsequent Poll with 58 members present and voting, 52 voted for SWWTU while 5 voted for BGWU and 1 ballot was spoilt.

Shop Steward Bernard Castle told GRENADIAN VOICE that in 1979 Vincent Noel (deceased) then President of the BGWU arrived at the plant with the Labour Commissioner and had a sudden poll. The majority of workers voted in favour because they hoped

for better but they never got satisfactory service.

Giving examples of the failure of BGWU Castle told how on one occasion Noel ordered then Manager Tony Renwick to send certain workers down to him. When they arrived they were subjected to a tongue lashing by Noel. He threatened some and told others not to return to work. The dismissed workers were reinstated by GBL Managing

Director Fred Toppin.

When two workers were re-tired by the Company and given, inadequate severance pay, the Union did nothing about the matter and it was the workers themselves who agitated and secured 13 weeks extra pay for the workers.

The carelessness in the handling of the renewal of the contract at the end of 1983 was the last straw. Because of mis-handling of the

matter the workers lost 2½ months benefit and on top of this a Union Statement of Account requested by the workers proved to be unsatisfactory. They decided they had enough and sacked BGWU.

Castle said they picked SSWTU because it does not take part in politics. He said that the workers do not like political Unions because they never have real strength only party strength

BRIEFS

BLAIZE TALKS WITH INVESTORS--Prime Minister Herbert Blaize has interviewed a number of persons who have displayed an interest in wanting to invest in Grenada. Many of them had already been interviewed by the Interim Administration but no final action was taken pending December's general elections. The Prime Minister said that with the assistance of several institutions, the government was now in the process of making the necessary preparations, such as building factory shells for the industrial estates. [Text] [St Georges THE GRENADIAN VOICE in English 2 Feb 85 Bonus Special p 0]

CEMENT GLUT--Once again a Government Department has goofed! The Ministry of Trade announced on the air early last month about the 8th, that the importation of cement was no longer going to be a monopoly of the Marketing and National Importing Board (MNIB). This announcement was not Gazetted until January 25 but a shipment of over 25 thousand bags of cement arrived on the same day consigned to a local business house which, some sources alleged, obtained an import licence while the shipment was already en route and, in fact, just a day or two before actual arrival. More than that the MNIB was expecting a shipment of approximately 30 thousand bags either yesterday or today. As a consequence, other import licences issued just last week have been cancelled and recalled with the nebulous promise that they "may" be issued again at some time in the future. Formerly the importation of cement was regulated in a manner which ensured that there was no glut of the perishable item on the market. [Text] [St Georges THE GRENADIAN VOICE in English 2 Feb 85 Bonus Special p 0]

CHRIE THIRTY

GUATEMALA

UNIVERSITY STUDENTS PROTEST OVER AUTONOMY ISSUE

PA281330 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT
27 Feb 85

[Excerpts] Quetzaltenango--Yesterday approximately 2,500 university students from the western sector issued a communique strongly rejecting the university president's decision to reach an agreement with the National Constituent Assembly, political parties, capitalists and representatives from the country's private universities.

Last night after a mass rally the students, who appeared to be extremely upset, made barricades with burned tires and even set a car, which was apparently abandoned, on fire. The students halted traffic along the highway in front of the western university center and burned the political propaganda leaflets of a presidential candidate alleging that the so-called pro-people alliance has proven through its National Constituent Assembly representatives that it is unconcerned.

Fortunately, no personal injuries were reported. The police did not intervene until 2000. At that time, when things seemed calmed, the authorities ordered the removal of the burned car. Now let us listen to a member of the AUU [Association of University Students] from Quetzaltenango:

[begin recording] We are protesting all of the actions taken regarding the university autonomy issue. We do not want them to veto the university's autonomy.

We have practically lost all control over private universities. I do not think a private university enjoys the same liberties and independence we do. The state university must have that independence. [end recording]

CSG: 3248/261

GUATEMALA

BRIEFS

NATIONAL GOLD RESERVE SALE--The Guatemalan Monetary Board has authorized the Bank of Guatemala to sell part of the national gold reserves, which have existed for the past 40 years, with the intention of alleviating the foreign exchange crisis which currently prevails in the country. A total of 100,000 Troy ounces were sold at \$355 per ounce; this will represent \$35.5 million in revenues. Guatemala's approved reserves were approximately 500,000 ounces of gold, so the sale represents a fifth of the reserves. There is another economic legend which has fallen to the current crisis; the first one was the quetzal's exchange rate, which fell when the parallel market was approved. [Text] [Guatemala City EL GRAFICO in Spanish 23 Feb 85 p 6 PA]

CSO: 3248/261

MEXICO

CAPITAL FOOD SUPPLY PROGRAM AIMS TO BENEFIT POOR

Mexico City EXCELSIOR in Spanish 10 Jan 85 p 11-A

[Federal District Department Popular Supply Program arranged in conjunction with Secretariat of Commerce and Industrial Development and Secretariat of Fisheries; Mexico, D.F., Jan 85]

[Text] For the purpose of protecting and backing the Mexico City population's basic consumption, the Federal District Department, in cooperation with the Secretariats of Commerce and Industrial Development, and Fisheries, has arranged for 1985 a series of actions aimed at achieving a sufficient supply and a better regulation of the market.

The city's government, in the context of the Popular Supply Program, is making and combining the necessary investments and action to provide, in an effective, equitable manner, for the basic consumption of 5 million inhabitants representing the social groups with the least financial resources in the Federal District.

Action:

Meat

1. A budget of 3.3 billion pesos has been allocated for the operation and consolidation of Supplies Industry (IDA) as a wholesale meat market, to improve its capacity for slaughtering, refrigeration, processing and distribution of meat products; hence IDA:
2. Will slaughter 12 million poultry and 1.5 million head of beef, lamb and sheep, and goat livestock.
3. Will put into operation the boning plant, which will process 60 dressed carcasses daily in low-cost cuts, to be marketed at 300 sales posts in the city.
4. Will process 1,500 tons of ham, sausage, bacon, headcheese and other products per year, to be sold at prices within reach in the shops of the public and social sectors.

5. Will create a reserve to ensure the supply, with the immediate importing of 15,000 head of cattle and the purchase of a similar volume on the domestic market.

Fish

6. A total of 500 million pesos are being spent to expand the infrastructure for the supply and distribution of fish and shellfish.

7. The Wholesale Distribution Center is under construction, to supply the southern section of the city, which will be integrated into the recently opened center in Iztacalco, which serves the northern region.

8. The supply of fish and shellfish is being consolidated in 1,000 sales units for the public, social and private sectors, to market 14,800 tons of fresh-frozen sardines, at a price of 136.00 pesos per kilogram to the public; 15,000 tons of fresh low-cost species, with a 30 percent discount from the prices in effect; and 3,650 tons of breaded filets and 120,000 boxes of canned sardines, at reduced prices.

Fruits and Vegetables

9. In cooperation with producers' organizations all over the country, there is promotion and expansion of direct access for their products to the Mexico City Supply Center.

10. The CONASUPO [National Company for Basic Commodities], ISSSTE [Institute of Social Security and Services for Government Workers] and DDF [Federal District Department] shops will jointly continue the program to supply perishable products offered weekly to the consumer at low prices, making use of the seasonal products.

11. A total of 36 union shops will be incorporated into the direct sales mechanisms for fruit and vegetable products, without middlemen.

Tortillas

12. By means of an estimated investment of 200 million pesos, a corn tortilla producing plant will be established in Iztapalapa, with a daily production capacity of 50 tons.

13. The distribution of the product will take place in the DDF Workers Stores, and shops of the public and social sectors, at protected prices.

Milk

14. The daily distribution of rehydrated milk will be doubled, by means of the establishment of new dairies in low-income sections.

Provisions for Neglected Areas

15. The distribution of staple products now being carried out by 250 commercial units in the public sector will be consolidated and extended to other low income housing developments, to ensure the supply of those products in suitable condition from the standpoint of quality, quantity and price.

16. There will be put into operation 15 new DDF Workers Stores, accessible to the public as a whole. Thus, the system will have 82 shops, which will generate sales amounting to about 40 billion pesos, at prices 20 percent lower than the current ones in the trade as a whole, benefiting 1.8 million residents.

17. The opening of the Staple Products Storage and Distribution Center of the DDF Store System, on which 60 million pesos is being spent.

18. A total of 80 Community Supply Popular Centers will be established with DICONSA and the active participation of the population concerned with providing for its basic consumption under better conditions; thereby completing 100 units of this type to serve 4,000 families.

19. Five new IMPECSA-DDF warehouses will be put into operation for the suitable supply of staple products to 5,000 small dealers and 500 organized consumer groups.

20. The operation of 430 CONASUPO-DDF dairies will be intensified, with the sale of other staple products (eggs, dairy products, sausage, meat and canned and fresh-frozen fish products, among others), to render improved and more extensive service to the 520,000 families for whom it provides.

Public Markets

21. As of this date there begins the "Market Days" (Thursday and Saturday) program in 100 public markets, consisting of the sale of staples at prices lower than the commercial ones as a whole, as well as other promotional activities involving products with widespread consumption on the part of the tenants.

22. Five new public markets are being built and 56 in operation are being renovated, with an investment of 3.04 million pesos.

23. The boards of directors of 100 public markets are being restructured, in order to offer the tenants technical and financial backing and to incorporate them into the program for reducing prices of staple products.

24. To advise, supervise and oversee merchants, and also to deal with the concerns and complaints of consumers over prices, quality and exact weight, permanent SECOFIN [Secretariat of Commerce and Industrial Development] offices are being set up in 100 public markets.

Modernization of Small Business

25. At present, two Small Retail Dealers Purchasing Unions are being put into operation in the Alvaro Obregon and Iztacalco delegations, in addition to the two that exist in Miguel Hidalgo and Tlahuac.

26. Twenty modernized small businesses, members of the aforementioned four purchasing unions, will start operating, and will offer 106 lines of staple products at prices up to 8 percent lower than those in effect on the market.

27. The Program for Modernization of Small Retail Trade will be consolidated with the creation of eight additional unions, thereby comprising a total of 1,000 small dealers, and will modernize the commercial systems of 2,000 establishments; benefits that will affect 120,000 families.

28. The structuring and relocation of the 60 "markets on wheels" is continuing, for the purpose of providing primarily, and under better conditions, for the neglected areas. In this way, such markets are also being incorporated into the Market Days promotion and the activities to cut prices of staple products.

29. Technical assistance will be rendered for the administration and operation of stores in the social sector.

System of Credit to Dealers

30. This date marks the beginning of the Credit System for Tenants, Suppliers and Purchasing Unions, with an initial line granted by BANAMEX [National Bank of Mexico] amounting to 1 billion pesos, to be used exclusively for the purchase of the staple products which they sell.

31. This year, the wholesalers of the Supply Center, IDA, the Federal District Fish and Shellfish Center, the 12 Small Dealers Purchasing Unions and the 20,000 dealers in staple products associated with 212 public markets and Federal District Purchasing Unions will be incorporated into this system.

32. The system of bonuses and daily food allowances for the union organizations is being consolidated, with the distribution of 100,000 daily food allowances per month.

33. The organization and integration of consumer purchasing groups will be intensified, so that by the year's end they will amount to at least 100, which will pool mutual efforts of nearly 50,000 families.

Citizen Guidance, Protection and Training

34. By July, 480,000 consumers will have been trained, and during 1985 700,000 will be trained to exercise their rights as consumers and to organize in the defense and administration of family spending.

35. The coverage of INCO-PROFECO services will be expanded to eight DDF agencies which, when added to those already in existence, will comprise 16 offices for consumer protection and information; hence making those services available to all residents of the city.

36. The National Consumer Institute will back the publicizing of this program for basic consumer protection in an extensive manner, through the news media.

DDF, Mexico, city of all the [illegible]

Mexico City, D.F., January 1985

2909

CSO: 3248/208

MEXICO

INVESTMENT AGREEMENT WITH SPAIN

FL042138 Mexico City NOTIMEX in Spanish 2345 GMT 2 Mar 85

[Text] Mexico City, 2 Mar (NOTIMEX)--Mexican Petroleum, Pemex, has reported that Mexico and Spain have signed a joint investment agreement to establish in Mexico a joint manufacturing company of special valves for the petrochemical industry.

Pemex said that with joint investment, Mexico will save some 3 billion pesos (\$13,698,000) in foreign exchange and will generate 300 jobs.

Pemex said this new company will be able to export some of its products to the United States and several Latin American nations.

Spanish businessman Ignacio Arroitia said at the signing of the agreement that this joint investment will allow the company to continue in the high quality valve making market and will introduce in Mexico technology Spain has developed in this area.

Pemex director Mario Ramon Beteta said that to manufacture in Mexico what was once imported indicates an advance in the country's economic consolidation which will advance Mexico along the road toward exporting.

CSO: 3248/266

MEXICO

COAHUILA TURMOIL BLAMED ON PRI INTERNAL DIVISION

Mexico City PROCESO in Spanish No 428, 14 Jan 85 pp 17-19

[Article by Elias Chavez]

[Text] American reporters have traveled to Coahuila to cover the beginning of a "new revolution," and they were pleased with what they saw. They photographed and filmed the burned out city hall in Piedras Negras, interviewed the two mayors of Monclova and, in Saltillo, played up the "rebellion of the people against their rulers."

"As in El Salvador, Mexico is in the midst of a civil war," claimed a radio station in Eagle Pass.

All of this is the upshot of feuding between two large PRI factions in Coahuila: one headed by former Governor Oscar Flores Tapia and the other by publisher Armando Castilla.

Incapable of keeping order between them, Governor Jose de las Fuentes Rodriguez has resorted to demagoguery and lies:

"There have been no outbreaks of violence in Coahuila. The disturbances over the recent election have been resolved cordially. Harmony and law and order prevail in Coahuila."

The facts belie the rosy picture painted by the governor, who is known as "El Diablo." Ever since Flores Tapia was governor and began feuding with his partner and friend Armando Castilla, Coahuila has been the scene of much bad blood and treachery.

El Diablo himself, who became governor because he had been a college classmate of then President Jose Lopez-Portillo, is also fond of political deals.

After Flores Tapia brought him back from ostracism and helped him get a federal deputy's seat, El Diablo allied himself with the then president of PRI, Carlos Sansores Perez, whom he abandoned when he fell into disgrace. El Diablo then sought to become the protege of the new leader, Gustavo Carvajal Moreno, who first made him a party secretary general and then unveiled him as a candidate for Coahuila governor.

When he became governor, El Diablo surrounded himself with prominent Flores Tapia men: secretary general of government, Enrique Martinez y Martinez, who had been Flores Tapia's director general of expenditures; treasurer, Humberto Acosta Orozco, who was mayor of Piedras Negras under Flores Tapia; undersecretary of government, Rodrigo Sarmiento Valtier, who was assistant director of rural properties and PRI secretary general under Flores Tapia; director general of expenditures, Miguel Arizpe, Flores Tapia's personal secretary and director general of expenditures; attorney general of the state, Luis Trevino Medrano, a former magistrate on the Superior Court of Justice under Flores Tapia.

El Diablo's election campaign was even run by the most prominent Flores Tapia man: Luis Horacio Salinas Aguilera, better known as the Desert Rat, who was president of PRI under Flores Tapia, a post that he resigned on the same day that his boss was charged with unexplained enrichment.

The current PRI president in the state, Abraham Cepeda Izaguirre, a former brother-in-law of the now former undersecretary of government, Jesus Davila Narro, was a leader in the CNOP [National Confederation of Popular Organizations] under Flores Tapia.

El Diablo also put the sons of several former governors in a number of city halls. He appointed Braulio Fernandez Aguirre, the son of the former governor, mayor of Torreon; Mariano Lopez Mercado, the son of former Governor Raul Lopez Sanchez, mayor of Muzquiz; Mario Eulalio Gutierrez Talamas, the son of former Governor Eulali Gutierrez Trevino, mayor of Saltillo, and Armando Fernandez Montoya, a nephew of Braulio Fernandez Aguirre, mayor of San Pedro de las Colonias, the town where Francisco I. Madero took refuge 77 years ago to write "The Presidential Succession."

The people of Coahuila did not protest these appointments too much 3 years ago. They thought that after having put up with Flores Tapia, things had to get better.

When Flores Tapia resigned after being charged with having defrauded the state of more than 2 billion pesos, he counterattacked, disclosing that his predecessor, Eulalio Gutierrez Trevino, had also embezzled 500 million pesos.

This charge was a contributing factor in Gutierrez Trevino's subsequent heart attack. His son, the mayor of Saltillo whom El Diablo had put in office, sought revenge.

He allied himself with Armando Castilla, alias "El Gordo," and with other opponents of Flores Tapia, including Jorge Masso Masso and the then rector of the University of Coahuila, Oscar Villegas Rico. The bad feelings intensified and came to a head in March of last year when Armando Fuentes Aguirre, alias "Caton," whom Flores Tapia

had named "the city's feature writer" and appointed as his spokesman, announced that he was running for rector of the University of Coahuila, backed, initially, by Governor De las Fuentes.

To stop Caton, because of what he represented, the opponents of Flores Tapia launched the candidacy of Valeriano Valdes Valdes (his nickname is obvious: "Three Vees"), who is related by marriage to the then rector, Villegas Rico.

A third candidate emerged: Jaime Martinez Veloz, alias "Jimmy," the director of the School of Architecture and a former member of the PSUM [Unified Socialist Party of Mexico].

The election was held. Three Vees officially won, but Caton and Jimmy claimed fraud and headed up a grassroots mobilization that was perhaps the largest in Coahuila in several decades. Thousands of students and ordinary citizens took to the streets, blocked roads and began a march to Mexico City. And along with the violence came martyrs.

"Come back, Oscar" was the graffito seen all over Saltillo around that time, decrying Governor De las Fuentes's incompetence. The governor finally got the feuding groups to compromise: the allegedly victorious candidate resigned as rector, and his place was taken provisionally by a buddy of Luis Horacio Salinas (the Desert Rat), Jesus Ochoa Ruesga, who at the time was director of the State Housing Institute.

The university dispute is still unresolved, however. Ochoa Ruesga has been unable to call new elections, and meanwhile Caton and Jimmy, who once joined forces to oppose Three Vees, are now accusing each other of betrayal.

The fact is that Caton has changed sides. First he was with Gordo Castilla, from whom he split when Castilla attacked Flores Tapia and backed Three Vees; now, sensing that he has lost the governor's support, he has gone back to work in the newspapers of Gordo, who is the head of the anti-Flores Tapia faction.

The people of Coahuila are now discovering that the university dispute was manipulated by the two political gangs, who took advantage of the students to size each other up before facing off in the mayoral elections.

In Saltillo, Jorge Masso, who has belonged to PRI for a quarter of a century (he was even a deputy and is now an alternate senator), openly sought the PRI nomination for mayor, backed by the anti-Flores Tapia faction. But the governor said no and decided to back his nephew, Carlos de la Pena. Before PRI formally announced its candidate, the party's national leader, Adolfo Lugo Verduzco, asked Masso to

be a loyal PRI member by showing restraint, in exchange for which five "administrative posts" would go to Masso's people (opponents of Flores Tapia in the new Saltillo city government.

To formalize the pact, PRI's general delegate, Carlos Rivera Aceves, was ordered to bring Masso and El Diablo together. He did so, but at their meeting El Diablo grew arrogant. He domineeringly made demands on Masso, who lashed back haughtily. Loud insults were exchanged, and Rivera Aceves and Masso stormed out.

As they left the governor's home, Masso suffered an attack of amnesia. He forgot what he had said just days before:

"PRI is not a springboard for power-seekers or a den of wheeler-dealers. Discipline is necessary in this party. The people who are spreading the rumor that if I will join another party if I fail to get the nomination are crazy. I belong to PRI out of conviction; I was born politically in PRI. Moreover, Jose de las Fuentes and I have been friends for 25 years. We are friends through family ties, appreciation and respect. He is a lifelong friend."

Struck by amnesia, the man who is still an alternate PRI senator, was Miguel de la Madrid's campaign manager in Saltillo, and a former PRI deputy and delegate, joined PARM [Authentic Party of the Mexican Revolution] and announced he was running for mayor. He even forgot about his "lifelong friend," whom he has accused of being a local boss, an "emissary of the past," a beneficiary of nepotism and even "a sloppy dresser."

PARM, which had been moribund, was suddenly revived by the influx of many of Masso's PRI followers and people from the anti-Flores Tapia faction headed by Castilla, former Rector Villegas Rico and then Mayor Eulalio Gutierrez Talamas.

El Diablo then became emboldened and decided to go for broke. He openly sided with the Flores Tapia faction and, after a confrontation with the PRI delegate general, whom he kicked out of the state, selected his own candidates in Coahuila's main towns:

In Monclova, Salvador Cantu, a buddy and protege of the secretary general of government and a supporter of Flores Tapia, Enrique Martinez y Martinez; in Piedras Negras, Carlos Juaristi Septien, a partner of Flores Tapia in the Casablanca Hotel and a member of the family that owns the newspaper EL ZOCALO; in Acuna, Ciutlahuac Cordoba, the former director of the Real Estate Registry who covered for Flores Tapia when the property that the former governor had acquired illegally was under investigation; in Torreon, Manlio Fabio Gomez Uranga, another Flores Tapia man.

After a campaign marked by mudslinging between all the contenders, the elections were held on 2 December. The big winner was abstentionism.

In Saltillo, all of the parties together, PRI, PAN [National Action Party], PARM, PSUM, PST [Socialist Workers Party], PPS and PDM [Mexican Democratic Party], did not get 30 percent of the votes that ought to have been cast.

In spite of the small turnout, the two big political gangs stirred up their followers, giving rise to violence.

In Saltillo on 4 December, some 500 Masso supporters took over the city hall. Sitting ducks, they were bludgeoned out of the building by close to 200 policemen. The day before in Piedras Negras there had been a confrontation between PAN and PRI supporters in which Mayor Humberto Uribe was wounded. In Torreon, five PAN members were jailed on charges of "urban terrorism." PARM backers took over the Ramos Arizpe city hall. In Ciudad Acuna, PAN supporters blocked the international bridge that links the town with Del Rio, Texas. They also blocked the road to Zaragoza.

The violence mounted over the next few days. In Piedras Negras, PAN supporters, protesting election fraud, stoned the car in which Governor De las Fuentes was riding and set fire to the city hall and several police vehicles. In addition, they helped 45 convicts escape from jail. Two persons died and 42 were wounded during the confrontations. Troops had to intervene to prevent further incidents and protests against mayor-elect Carlos Juaristi.

On 1 January, Salvador Martinez Cantu (PRI) and Pedro Esquivel Medina (PAN) took the oath of office 1 hour apart as mayors of Monclova, while in Escobedo a group of PAN backers headed by Rosendo Burciaga kidnapped, stripped and shaved the head of the PRI mayor who had just been sworn in, Jose Moreno Montoya. With only his underwear on, the mayor had been tied to a tree in the main square.

"Civil war in Mexico," reported Texas papers first; the yellow journalism then spread far and wide in the United States.

ABC's coast-to-coast program "Good Morning America" gave heavy coverage to the disturbances in Coahuila, particularly the incidents in Piedras Negras. Extended footage of the burning city hall were shown, and the newscaster voiced the view that a sort of civil war was being waged. The network's nationwide nighttime newscasts repeated some of the film footage, creating at all times the impression that Coahuila's main cities were the scenes of street battles with firearms.

After the turmoil, dozens of PAN backers in Piedras Negras crossed the border and took refuge in Eagle Pass, fearful of being arrested. There are in fact court orders out against some 50 of them.

PAN leaders in Monclova and Piedras Negras announced that they would request "political asylum" in the United States if the repression in Coahuila did not cease.

While PAN and PARM supporters met in Saltillo with representatives of the State Congress to work out a settlement to prevent further confrontation, Governor De las Fuentes, attending the governors' traditional dinner with the president of the republic on Tuesday the eighth in Mexico City, insisted:

"There have been no outbreaks of violence in Coahuila. The election dispute was settled in harmony..."

8743

CSO: 3248/240

MEXICO

BRIEFS

CARDINAL TO VATICAN POST--Guadalajara, Jalisco, 21 Jan--Cardinal Jose Salazar, the archbishop of this city, has been assigned for 5 years to the Sacred Congregation for the Sacraments. The appointment was made by Pope John Paul II in an official letter signed by Cardinal Agostino Cassaroli, reported the press spokesman of the curia in this city, Adalberto Gonzalez. [Text] [Mexico City EXCELSIOR in Spanish 22 Jan 85 p 32-A] 8743

CSO: 3248/240

NICARAGUA

BRIEFS

NEW CADIN LEADERS--At a general meeting of members, the Nicaraguan Chamber of Industries (CADIN) elected its new Board of Directors, which is: Jaime Bengochea, president; Alfredo Montealegre, vice president; Daniel Bonilla, secretary; Ernesto Balladares, assistant secretary; Federico Lang, treasurer; and Ernesto Leal Sanchez, assistant treasurer. Gilberto Solis was confirmed in his post as executive secretary. [Summary] [Managua LA PRENSA in Spanish 20 Feb 85 pp 1, 12 PA]

CSO: 3248/260

PANAMA

BUSINESS GROUP PRESENTS ALTERNATIVES TO NEW TAXES

PA020333 Panama City LA ESTRELLA DE PANAMA in Spanish 26 Feb 85 p C-5

[Advertisement paid for by the Panamanian Chamber of Commerce, Industries and Agriculture in Panama City on 25 February 1985]

[Text] Instead of levying new taxes, the government ought to:

1. Reactivate the nation's economy by outlining a national development program.
2. Efficiently collect existing taxes including taxes on unexplained [no justificados] earnings.
3. Return to the public treasury income collected by certain private businesses which rightfully should be collected by the state.
4. Eliminate contraband by enforcing, without exceptions, existing laws.
5. Collect taxes, without exception, on entertainment allowances of the public as well as private sector.
6. Recover ill-gotten gains and punish those guilty of embezzling public funds, through an efficient administration of justice.
7. Lower public expenditures by eliminating unnecessary expenses and by honestly and efficiently administering the state's properties and resources.
8. Limit the level of expenses to correspond to our economic situation and, therefore, adjust expenses to the true level of revenues.
9. Eliminate the oversized government bureaucracy resulting from unnecessary officials and advisers' salaries and privileges.
10. End administrative corruption and eliminate hateful favoritisms which are detrimental to the state's interests.

In view of the above, the /Panamanian Chamber of Commerce, Industries and Agriculture warns/ [passage between slantlines published in uppercase] the

honorable legislators that if they insist in passing the new tax measures submitted by the Executive Branch, they will collectively and individually be responsible for the grave social, political and economic repercussions that this action may have in the country.

The president.

CSO: 3248/258

PARAGUAY

PATRIA SCORES STATE DEPARTMENT HUMAN RIGHTS REPORT

PY222320 Asuncion PATRIA in Spanish 22 Feb 85 p 7

[Editorial entitled: "An Annoying Report." -- passages within slantlines published in boldface]

[Text] We will not jump out of the way of any accusation that is leveled against the country, no matter where it comes from and no matter how "powerful" the source. The U.S. department of State report on human rights in Paraguay is now in fashion within the circles of the radical opposition and if no chain is stronger than the weakest of its links we will demonstrate that the sloppiness of that report is worth telling although, looking at it with patience, it could also be said that such report wanted to do justice to Paraguay and enhance the Paraguayan image. Thus, for instance, when the EFE cable, referring to the report, states that "it reports that 41 arbitrary detentions among them those of union leaders, are known, something which is supposed to be a sharp reduction with regard to the 100 that were detained by the mid-70's" it is obvious that such a "sharp reduction" means, in good Spanish, a notable improvement. Even so, the main fact was cleanly forgotten because the events and circumstances that have taken place in 1984, as compared to those 1970, have not been mentioned.

Yet, there is more. Elaborating on those "41 arbitrary detentions," the report undertakes to make it clear that "out of the 41 detainees [29 WERE SET FREE IN LESS THAN A DAY,]" something which leads us to look into the "arbitrariness" in the light of article 59 of the constitution which states that nobody may be held in detention "for more than 24 hours without being charged." Therefore, if they were "set free in less than a day" their rights have not been offended not violated because, as provided for under Article 45 of the same Constitution, "the preservation of public order, the security of the people and their possessions, and crime prevention will be the responsibility of the police, whose structure and attributions will be regulated by the law." The law already exists and it would be interesting that the "supplying sources" send a copy to the Department of State. However, in the meantime, notice those words, that is, preservation, security, prevention, and it will be understood why a detention for up to 24 hours is constitutionally in order, without giving the reasons for such a step, which is designed to allow the police to perform its constitutional and legal duties.

Out of the "41 arbitrary detentions" only 12 then, remain. And concerning these 12, the report, which had been precise as far as numbers are concerned, turns into a backwater of vagueness, moving on through disparagement, lightness, and the lack of seriousness to pass on afterwards, at this same point, to a dull conclusion which in the most colorless, tasteless, and odorless manner seems to be aimed at being a flattering commentary for Paraguay.

Let us look into the remainder of the paragraph. It states that these 12 detainees "stayed for over a month, in many cases (?) without being charged formally and without being tried," to conclude that, according to the EFE cable, "by the end of the year, it is believed that there were six persons who could reportedly be considered political prisoners, [SOMETHING WHICH IS SUPPOSED TO BE A SIGNIFICANT REDUCTION AS COMPARED TO THOSE OF THE PAST YEAR.]"

The aforementioned flattering words published in bold print only show that the report lacks all reasoning, since if we study the issues in context the situation is quite a different one. In first place, we categorically reject the use of the ambiguous term "in many cases" for the total number in question was 12, out of which, the State Department itself admitted that several persons were subjected to trial proceedings. As for those who were not and "who were under arrest for over 1 month," we must point out that if it were true, this could be explained by noting that these cases usually entail administrative and legal proceedings in keeping with what is established in Article No. 59 of the Constitution which reads: "The arrest will be reported to the pertinent judge within 48 hours. If the detainee is to be held incommunicado, under no circumstance shall this situation exceed this term unless there is a court order." The report merely overlooks everything that can be legally carried out to safeguard public order, to protect citizens and their property, and to prevent crimes (Article No. 45 of the Constitution). This report gives the impression that these arrests were more of less "kidnappings." Unfortunately, this cannot be attributed to a misunderstanding since an organization that is in charge of the foreign relations of a world power that can destroy the globe by pushing a button cannot afford to make such a mistake.

As for the part that states that [It IS BELIEVED] THAT by the end of 1984 there were six political prisoners, this is just a fabrication that is unworthy of such a report, which thus loses all credibility. In the first place, the persons in question are not "political prisoners," but common criminals sentenced for crimes committed under political pretext, just as it is established in the most modern penal codes of prestigious democracies like those of France, West Germany, Spain, Italy, Argentina, etc.,. In the second place, the State Department report, does indeed admit, although always within a negative context, that these arrests "constitute a substantial decrease from the previous year." But these six sentenced prisoners (perhaps they are less than six) may be in that situation because, perhaps, they have not yet fulfilled their sentence, or not enough time has elapsed from them to be out on parole.

So despite the fact that the State Department report refuses to admit it, what we are really dealing with here are the established laws. But perhaps this is

so because there are certain issues in this regard that are deeply submerged in the subconsciousness of State department officials, such as the efforts that were made at the time to extradite Ricord without resorting to all the established court proceedings (in the end he was released a few years later), or such as in a more recent case in which they wanted to leave aside all the legal "difficulties" and destroy a shipment of chemical products that may be used to process cocaine. The Paraguayan authorities were blamed with this arbitrary action, but it was precisely Paraguayan authorities who detected the dangerous material and who confiscated the shipment, which was apparently in the last leg a journey that encompassed countries in Europe, on the Atlantic coast, and even countries in the Americas. But the State Department has certainly not taken into account the "dependency" of the judicial branch in this case.

1571

CSO: 3348/426

PARAGUAY

REPORTS ON MENGELE 'TREMENDOUSLY IRRESPONSIBLE'

PY132120 Madrid EFE in Spanish 1912 GMT 13 Feb 85

[Excerpt] Asuncion, 13 Feb (EFE) -- The Paraguayan government today denied the presence in the country of Nazi criminal Joseph Mengele through Information Secretary of the Presidency Anibal Fernandez to whom the issue is now closed.

Upon denying the reports that say that the famous angel of death still resides in Paraguay, Fernandez said that it is senseless for the international press to give so much coverage to a such an illogical claim.

Fernandez told EFE today that, to Paraguay, Mengele's case was close the moment he lost his residence here for having left the country.

Mengele, who has been the subject of an intense search for several years because of the war crimes he committed in the Aushwitz concentration camp, became a Paraguayan citizen in 1959 under his real name when he was not being sought, according to official Paraguayan reports.

According to authorities from Asuncion, Mengele, who is accused of having conducted barbarian genetic experiments, lost his citizenship, in keeping with the law, when his term of absence from the country expired between 1964 and 1965.

Fernandez categorically rejected an Israel version published here saying that Mengele, who allegedly lives in a hotel in the jungle, is President Stroessner's personal doctor.

Such a report is tremendously irresponsible, Fernandez told EFE today when he rejected it as being infantile. [passage omitted]

1309

CSO: 3348/426

PARAGUAY

BRIEF

SENDERO VIEWS STROESSNER FRG VISIT--The FRG Government has invited President Stroessner to make an official visit to that country in July 1985, which can be interpreted as support for the administration of our chief of state. The invitation, however, has prompted harsh criticism from the German Social Democratic Party, one of whose deputies, Karsten Voigt, states that the visit will reportedly imply "a negative sign for the democratic trends in Latin America," because "it can give the impression that the German government considers the dictator an element of stability in the region and that it wants to express its appreciation through this visit." (O ESTADO DE SAO PAULO, 27 January 1985). Nevertheless, it has been revealed here in Paraguay that the German government had reportedly made some "requests" to General Stroessner before the official invitation. That our country no longer receive former Nazi leaders or German criminals; that freedom of the press be restored in the country with the reopening of the newspaper ABC COLOR; that the opposition parties be given full guarantees for their activities, and if such guarantees do not exist, that German investments in Paraguay be given the usual guarantees. [Text] [Asuncion SENDERO in Spanish 8 Feb 85 p 5 [From the "How Is the Country Going?" column]] 1150

CSO: 3348/426

PERU

IU CANDIDATE MEETS WITH SOVIET BLOC DIPLOMATS

Lima EL COMERCIO in Spanish 1 Feb 85 p A-4

[Text] In a meeting yesterday with representatives of the diplomatic corps, most of them ambassadors from Soviet bloc countries, the candidate of the United Left (IU), Alfonso Barrantes Lingan, called for the signing of the Sea Convention--thus abandoning the territorial sea policy advocated by Peru since the government of Dr Jose Luis Bustamante y Rivero--and for the eradication of imperialist practices. In contrast, however, he remained silent about the Soviet invasion of Afghanistan and the intervention of Cuban soldiers in Angola.

Barrantes said that the non-alignment of the leftist bloc "falls within the historical context of the non-aligned countries' summit conferences."

It may be recalled that the summit conference held in the late 1970s in Havana, under the chairmanship of Fidel Castro, preceded the take-over of the Peruvian Embassy in Cuba by thousands of refugees, and the subsequent cooling of relations between that communist government and our country.

The current mayor of Lima expressed his solidarity with the guerrillas operating in El Salvador and with the Sandinist government of Nicaragua.

With regard to Nicaragua, he did not mention the violations of freedom of the press or the documented harassment of members of the Church.

Concerning the Middle East, he stated that any solution of conflicts must entail the creation of a state for the Palestinians.

He also expressed support for the independence of Puerto Rico, and reiterated his solidarity with the administration of Fidel Castro, which since 1960 has imposed its rule on the Caribbean island without free elections.

8926

CSO: 3348/368

PERU

APRA LEADERS, KOREAN COMMERCIAL OFFICERS MEET

Lima OIGA in Spanish 4 Feb 85 pp 14-16

[Text] It must have been about 1700 hours last Thursday when one of the phones rang at OIGA. The call was for our editor in chief. A prominent member of the Aprista Party of Peru (PAP) was on the line to offer us a scoop if we kept the source confidential. The answer was: "We journalists do not reveal our sources of information." And we received the following information:

"Tonight at around 2100 hours, Alan Garcia and other Aprist leaders will attend a private meeting at the headquarters of the North Korean Trade Office. The address is Los Nogales 227, San Isidro . . . I am giving you this information because I, like many other members of the party, do not agree with these close ties between the American Popular Revolutionary Alliance (APRA) and the communist, dictatorial regime of North Korea."

We quickly made note of the address. Was that all? Our informant added: "We know that North Korea has already contributed \$1 million to finance the party's election campaign, and that tonight it will give another \$1 million for the same purpose."

"Thank you very much for the information; we will check it out," we said as we hung up the phone.

The news of this possible secret meeting came as no surprise to us. The overtures between APRA and the government of Comrade Kim Il Sung over the past few years have been public knowledge. These close ties, which are not of a diplomatic nature--APRA is not in power--but rather a political one, became more apparent when candidate Alan Garcia--at that time he was just the secretary general of Alfonso Ugarte's party--was received by the communist government of North Korea with the honor normally accorded a chief of state. On that occasion, political analysts commented that the North Koreans were already looking to the future, and they were taking into account the distinct possibility that APRA would take power in 1985. Located in a strategic position in South America, Peru is regarded by the North Koreans as a spearhead for their diplomatic and ideological penetration of the continent. Their objective is for APRA, if it takes office, to establish diplomatic relations with their country, which do not exist now because there is just a trade office. Many political analysts are now asking what the Koreans will give in exchange.

Our photographer Jose Abanto was assigned to stake out the vicinity of the North Koreans' residence, taking the necessary precautions, to take pictures of the meeting that APRA had taken pains to keep secret.

At Los Nogales 227

Abanto reached the second block of Los Nogales Street several minutes before 2100 hours, his photographic equipment on his shoulder. He approached a man at the door of the house marked number 227 and asked if the meeting had begun. Nervous, our graphic reporter's interlocutor replied tersely, "There is not and will not be any meeting here." When "Pepe" is after a story he is like a bulldog. He refused to take no for an answer: "Don't tell me there won't be any meeting. Tell me whether or not Alan Garcia has already arrived with other Apristas." The man at the door had no recourse but to say: "He has not yet arrived and he's the only one who's not here . . . But who are you?" Abanto responded quickly, "Well, and who are you?" "I can't tell you for security reasons," answered the doorman. Abanto told him that, also for security reasons, he would not identify himself, but could only say that he was a journalist. Then he withdrew from the door to station himself near the house and wait for Alan Garcia there.

Finally, at about 2245 hours, a blue Dodge pulled up, and Alan got out with two people who appeared to be bodyguards. Abanto quickly moved in and got his camera ready to take a profile shot of him just as he entered the North Koreans' residence. One of the Aprist leader's companions moved in front of him, giving Abanto a menacing look. Abanto set off the flash, and the man turned his back on him. Several moments later, a member of the Korean trade legation who had come out to welcome the guest approached the photographer and angrily said, "Look, why are you bothering us?"

The doors of the house closed. Abanto remained outside waiting for the prominent figures inside to emerge. The minutes and hours passed. Strains of Korean music filtered out into the street, along with the lively notes of northern folksongs.

At about midnight, a security officer approached Abanto to ask him to leave. Of course, "Pepe" paid him no heed.

As he fought off sleep, at about 0030 hours Deputy Carlos Roca emerged from the house with two companions, one of whom had entered with Alan. They got into a station wagon and sped off. Ten minutes later they returned, and Abanto could see that Roca had a box in his arms. "To bring something or to take something away?" he commented to the graphic reporter of the daily EXPRESO, who had also arrived on the scene. They, too, had apparently received the phone call; we do not know if it was from the same person.

Abanto hurried to take their picture without a flash, using the light coming from several lightbulbs right at the gate of the legation's headquarters. He did so moments before Roca and his companions entered the house.

Guests Exit

After 0100 hours, the guests began to leave the meeting. The first to emerge was Alan Garcia, with the two people he had arrived with. The rest waited just behind the gate. When he saw Alan Garcia leaving, Abanto began to set off his flash and take pictures. Alan raised his head and called to "Pepe," saying: "Listen, come over here . . . You're from OIGA, right?" To which Abanto answered in the affirmative, and extended his hand to greet him respectfully. Alan asked him how he had found out about the meeting, and Abanto responded that he was sent by the magazine and was just carrying out his assignment.

Alan frowned, his habitual smile disappearing. He was undoubtedly worried. "How strange! It surprises me . . . They are going to think that this delegation is helping me out with money, which is false," said Alan. He had reason to be worried: One or more people high up in his party had violated confidentiality to spread the news of the secret meeting. The public would find out, therefore, that the unity of the Aprist Party is not as monolithic as it appears to be. Are there disagreements not just in form but in substance, stemming from the position of the Aprist leadership in contrast to communist ideology and its political systems?

In a few seconds, other assistants, such as the former rector of Villarreal University who is now a deputy, Orestes Rodriguez, and other members of parliament, surrounded Abanto and extended their hands.

"Why Don't You Expose the Film?"

Then Alan Garcia said to "Pepe" Abanto, half joking and half seriously: "What if your film doesn't turn out? . . . And you will be our friend." He said it almost carelessly as he left. His companions all laughed.

Abanto kept clicking his camera. More and more pictures of the group that was preparing to say good-bye to the owners of the house at the door. There were about eight people. Alan bid farewell to the director of the North Korean Trade Office. Noticing that Abanto was focusing his camera on him, he embraced his host and told our reporter: "Take your picture." Then he raised his arm and flashed his classic smile. Click.

Abanto thanked Alan and decided to leave. As he was getting ready to go, he heard someone shout, "Boy, boy!" He turned and saw an arm that was frantically motioning. It was a North Korean who was motioning to him insistently. "Pepe" tried to avoid him and approached Deputy Carlos Roca, asking him for a ride in his car. "We are full," answered the Aprist parliamentarian drily. By this time the North Korean had grabbed the OIGA reporter's arm and was inviting him into the residence very insistently. "Pepe" had already put his camera away.

Whisky with the North Koreans

There was nothing to do; he could not get out of the almost compulsory invitation. Once inside, they offered him a glass of whisky and several exquisite

dishes of Korean food. There were several people there. One of them said: "Caramba, hombre, you always our friend, but you magazine OIGA always say bad things about us. So you do us favor and leave film you took, and you will be our friend forever. . . How can you take pictures at a private meeting?"

"Pepe" answered that he could not do what they were asking because the roll of film contained pictures taken on other assignments as well. It was then that it occurred to him that the North Koreans could take him back to the magazine, and he told one of them that if he wanted they could go together to the magazine headquarters, where he would give him the part of the roll that had the pictures he had taken at the meeting. The North Korean agreed, and both came to OIGA. Abanto entered the photolab and almost immediately emerged with a piece of developed film, which he gave to the North Korean. The latter swallowed the bait, thanked him and left.

The next day, the same North Korean who had been hoodwinked appeared at our offices. He realized by then that he had been taken, and wanted to talk to the photographer to get the negatives and the pictures. Abanto was unavailable, of course.

That same afternoon, Friday, OIGA received two calls: one from a person who identified himself as secretary of the legation, stating that he wanted to explain that the meeting had been a social event, just as he had met previously with Peruvian parliamentarians and government officials who had visited his country. He noted that it was a fraternal party and had no other significance. He said they were worried, however, since OIGA had attacked them on other occasions, and might use those photographs to say something else.

The second call was from a man who identified himself as chief of the legation, and said more or less the same thing the previous caller had. On both occasions, the people refused to give their names.

Unexpected Press Conference

Surprisingly, without the advance notice that is usually given in such cases, Alan Garcia called a press conference that same Friday. Among other topics, of course, he dealt with his meeting with the North Koreans. He asserted that it was a social gathering, an expression of camaraderie, just like the meetings with diplomatic representatives of the United States and other countries. Furthermore, Alan went on, members of the government and parliamentarians of other political parties have also met with the North Koreans. He cited Manuel Ulloa, for example, who "has even danced there, which I have not done," said Alan. It was clear that he was trying to detract from the meetings importance, keeping it on the level of normal friendship.

Political observers may draw their own conclusions about this story, which prompted such nervousness among the North Koreans and the Apristas. They may wonder why these officials tried to keep it a secret if it was just a social gathering among friends. And they may also wonder what the Aprist Party's former candidate for mayor of Lima and present candidate for deputy, Alfredo Barnechea, is doing now in North Korea as an official guest of the government of the "most illustrious, esteemed, etc." Comrade Kim Il Sung.

19 March 1985

PERU

FISHERIES MINISTER DEMANDS REVISION OF 1971 SOVIET TREATY

Lima EJ. COMERCIO in Spanish 3 Feb 85 p A-4

[Interview with Fisheries Minister Ismael Benavides Ferreyros on 2 February, author not given]

[Text] Fisheries Minister Ismael Benavides Ferreyros explained yesterday why his ministry has decided to denounce the so-called technical cooperation agreement signed in 1971 by the military regime with the Soviet Union. Benavides also detailed the kinds of activities being carried out by approximately 200 trawlers and the effect they are having on the biomass. According to Benavides, it is a question of defending national wealth and preventing our sea from being practically wiped out.

[Question] Why is it necessary to revise the pact signed with the USSR in 1971?

[Answer] According to studies and research carried out by my sector, the large-scale fishing activities by the Soviet fleet beyond the 200-mile limit are endangering the biomass of yellow jack and mackerel. The 1971 agreement grants facilities to the Soviets that have no comparison with those of any other country.

[Question] What are those facilities?

[Answer] Article 12 stipulates that Peru's ports will provide Soviet fishing and research vessels with facilities for anchoring, departure, mooring, loading and unloading, transshipment of fishing products and technical supply items, fresh water supplies, fuel, provisions and repairs.

[Question] What does all this mean?

[Answer] It means that the USSR fishing fleet has a base of operations in Peru, thousands of kilometers away from the mother country, which grants it unique facilities, keeps its operating costs down, allows it to change crews, and so on.

[Question] How many Soviet citizens pass through Peru for these crew-changing activities?

[Answer] EL COMERCIO itself published the figure of 30,000 Soviets who pass through Callao each year. If we consider that each ship changes crews every 90 days, with a total of about 100 people per ship, the change-over takes place four times a year, and there are more or less 200 trawlers, with these figures we can see the magnitude of the situation.

[Question] Why has the idea of denouncing the treaty come up just now?

[Answer] As you know, the pact was signed in 1971. It was to have a term of 10 years, so it expired in 1981. Article 15 of the agreement, however, stipulates that the agreement will remain in effect for additional periods of 3 years each unless one of the contracting parties denounces it 1 year before the expiration of such periods. Consequently, the additional 3-year period expired in 1984. Now we are denouncing it with the required advance notice.

[Question] What does the agreement have to do with the 20 Soviet ships that operate within our 200-mile territory?

[Answer] The operation of those 20 Soviet ships is governed by another treaty to which Peru agreed because the terms were acceptable and because our fleet unfortunately lacks the capacity to take full advantage of the fishing resources of our sea much beyond the coast. These 20 trawlers are under the control and supervision of this sector. They are subject to regulations and ceilings, and must undergo the required inspections. The others, the 200 trawlers operating beyond the 200-mile limit, are not subject to control.

[Question] As a result of the decision to denounce the 1971 treaty, some sectors have launched a campaign against you . . .

[Answer] The problem, I must emphasize, is that this pact grants unique facilities to the Soviet fleet. Obviously there are vested interests that those linked to the USSR are trying to protect through the well-known campaigns. The facilities the agreement grants to Russian ships are not given to any other country.

[Question] Once the treaty is denounced, will similar facilities be given to other countries?

[Answer] We are trying to prevent the plundering of our resources. Therefore, this kind of privilege will no longer be granted.

[Question] Some officials at the State Fishmeal and Fish Oil Production Agency (PESCAPERU) accuse you of trying to favor private industry to the detriment of the public enterprise . . .

[Answer] That is false. All firms, public and private alike, are governed by the same legislation, the same rules of the game. Now, I believe that fishing activity in general should be carried out by the private sector, but that does not mean anyone is being favored. Current legislation is enforced here without any favoritism. In the specific case of PESCAPERU, the enterprise exists; it is owned by the state, and as long as it is necessary and as long as I am in office, everything possible will be done to keep that enterprise's head

above water. To demonstrate that, you would have to ask how many tons of fish was processed in January 1984--when we took over the firm was paralyzed--and how many tons of fish was processed in January 1985.

[Question] How many tons?

[Answer] In January 1984 not a single ton of fish was processed. In January 1985 between 120,000 and 130,000 tons of fish was processed.

Thus, these are really politically-oriented arguments. The truth is quite the contrary.

[Question] Have specific proposals been made by countries that are willing to come and operate in our territorial sea, that is, within our 200-mile limit?

[Answer] Even though we have passed legislation to promote yellow jack and mackerel fishing, which we cannot undertake because we do not have the necessary vessels, foreign ship-owners have actually expressed a certain lack of confidence because of the way they were mistreated during the military government. I think that once they realize that we have a democratic government here and that the rules of the game will not change overnight, their interest will gradually perk up. Ship-owners from South Korea, Taiwan, Holland and Spain have made inquiries. That indicates that there is already some interest.

8926

CSO: 3348/368

URUGUAY

AMNESTY PROPOSED FOR POLITICAL PRISONERS

PY201505 Madrid EFE in Spanish 0843 GMT 20 Feb 85

[Report by Alberto Pepe Leira]

[Excerpt] Montevideo, 20 Feb (EFE)--Out of the nearly 350 political prisoners in Uruguayan jails, about 60 Tupamaro guerrillas who were sentenced before the 1973 coup will not be considered in the amnesty bill that the Colorado Party will propose, once installed in the government.

According to political sources, a restrictive amnesty bill, not including prisoners sentenced for murder, will be proposed by the party of President-elect Julio Maria Sanguinetti who will be installed on 1 March.

The bill, which was prepared by criminal lawyer Adela Reta, a former university professor and the future education and culture minister, complies with Sanguinetti's electoral promises of granting a generous, although restrictive amnesty.

This proposal is supported by minority sectors from the National Party, the main opposition party, and by the Social-Christian Civic Union.

The bill reflects Sanguinetti's political beliefs about political prisoners, that a distinction should be made between those who have attacked democracy and those who were arrested after the military coup for their political ideas.

Among those who will not be included in the Colorado Party amnesty bill are some Tupamaro leaders like Raul Sendic, sentenced to 42 years in prison.

However, the Colorado propose that these prisoners have their cases reviewed by civilian courts and eventually be granted a presidential pardon, taking into consideration the hard prison conditions under which they lived during the military regime.

CSO: 3348/402

URUGUAY

BRIEFS

SENDIC'S EMERGENCY PLAN GUIDELINES--Raul and Ramiro Sendic, sons of Raul Sendic, top leader of the Uruguayan National Liberation Movement [MLN] Tupamaros Faction, held a news conference in Havana after their meeting with their father at Libertad Prison. They said that their father is more concerned with the problems in his country than with his own problems. They also said that the 75-minute visit was used to discuss Uruguay, the current situation, the process that begins in March, and their father's ideas. The meeting between Raul Sendic and his sons, the first private meeting he has held during his 12-year imprisonment, produced the general guidelines for drafting a national emergency plan. This plan was presented to a national programmatic organization that comprises political parties, labor and student groups, and the church by the Uruguayan 26 March Movement. The national emergency plan calls for the nationalization of banks and foreign trade, a moratorium on foreign debts, and agrarian reform. All of this would immediately improve the population's standard of living. [Text] [Havana International Service in Spanish 0000 GMT 19 Feb 85 PA]

CSO: 3348/402

VENEZUELA

CALDERA EVALUATES COPEI'S PERFORMANCE ON 39th ANNIVERSARY

Caracas BOHEMIA in Spanish 14-20 Jan 85 pp 16-21

[Interview with Rafael Caldera by Hugo Alberto Goitez; date and place not specified]

[Text] COPEI, the Social Christian Party, is nearing its 39th birthday, which in human terms is equivalent to biological and intellectual maturity. The great party that Rafael Caldera founded has been jolted, however, by internal feuding and by the unpleasant memory of an administration that most Venezuelans describe as very poor, perhaps the worst in the country's history. COPEI is worried. A political comeback for it depends on many factors, the main one being an unavoidable internal purge to excise the cancer of corruption that spread wildly during the 1979-1984 term of office.

Rafael Caldera is the man to talk to about developments in COPEI, which affect the country as well. The founder of what is today the Social Christian Party has maintained his status and is still respected by his fellow Venezuelans even though the millstone of the Herrera Campins administration brought him down to defeat in the 1983 election. But Caldera is also in a position to say that he "lost the battle but not the war." Thus, he remains in the fray today, especially within COPEI, fighting to rescue and to make battle-ready one of Venezuelan democracy's fundamental parties. The following interview with Dr Caldera does not seek to make sensationalist headlines; it is an in-depth dialogue that evidences concern for the country. We should remember that we are talking with a statesman, with an eminent politician who has a calling to serve and who loves Venezuela deeply. With this in mind, let us begin.

The Real COPEI Leadership

[Question] The public has been bewildered by the apparent split in COPEI. The feud between you and Luis Herrera Campins has created the impression that there are two COPEI's. The country unquestionably needs COPEI, but we cannot deny either that one of Venezuela's major parties must have a coherent leadership. What comments do you have in this regard?

[Answer] The party's internal elections were something new in Venezuelan democracy, because this was the first time that a party took the risk of consulting with its rank-and-file on how it should be run and in what direction it should be moving. Those party elections, in which more than 300,000 members of COPEI took part, showed beyond a shadow of a doubt what leadership the party regards as its own, true, authentic leadership. And another very important judgment was at the heart of this matter too. The party had lost the election, and those who campaigned against the reelection of the secretary general, Eduardo Fernandez, tried to blame the party leadership and, implicitly, the presidential candidate for the loss. Nevertheless, the party demonstrated that it was absolutely certain that the battle it put up was not only effective but, to a certain extent, dynamic as well. It was made quite clear that in the party's judgment the reason it lost the election was the poor image of the administration presided over by Dr Luis Herrera Campins. Moreover, all political analysts agree that that was the decisive reason. Furthermore, subsequently there has been quite widespread acknowledgement that the campaign that we waged, the effort we put forth got us more votes than were expected.

Saving COPEI

[Question] Is it true that Rafael Caldera ran for president precisely to save COPEI?

[Answer] Rafael Caldera ran to fulfill a duty of conscience. The situation was difficult; the outlook was not good, but a battler who is committed to a political organization and to a country does not try and figure out whether he should or should not run, whether he is going to win or not. The thought that goes through his mind is: What is my duty? And he goes out and does it. Fortunately for me, I showed that I accepted the nomination not to reap the rewards of old laurels but to struggle tooth and nail. In fact, I think that every Venezuelan would admit that of the 13 presidential candidates, I was the one who struggled, fought and worked the hardest.

Some thought that I was going to be a radio and television candidate, but then they saw me visiting poor neighborhoods. Not many of the other candidates regularly visited low-income districts. I was at all of the dialogues, all of the debates, all of the gatherings.

I presented a program, invited the others to discuss its points and challenged the candidate who wound up winning to go before the country with me so that we could clarify our views, but he refused. I waged a campaign that I am sincerely proud of. At a time when pessimism was widespread, I managed to arouse genuine enthusiasm. Political analysts say that people had made up their minds in advance, and a number of polls have disclosed that a great many voters said that they had decided to vote against the COPEI administration even before the campaign began. I also think that the premature end to the election campaign, pursuant to a decision by the Supreme Electoral Council, helped the opposition candidate, because with the campaign coming to a head, there were 3 days during which we had absolutely no chance to reach the hearts and minds of the voters. All of the news items that they heard during this time revived the negative image that the administration had developed.

When I took up this issue at the party's National Board meeting, I was careful to say that "I am not making a value judgment, I am not saying whether the negative image was justified or not." The fact was, however, that it existed and that everyone in a position to look into the situation realized that being regarded as the administration's candidate was too big a burden. Now then, I do think that the administration was largely responsible for its negative image and that the party was obviously not listened to on occasions when it made major, earnest suggestions as to what the administration ought to do.

Distressing Performance

[Question] You're a well-balanced man and above all you want to preserve the democratic system. At this juncture, what is your assessment of President Jaime Lusinchi's administration?

[Answer] I will dare to repeat a comment that prompted a series of disagreeable reactions, as Romulo Betancourt would say, from several AD leaders: the bottom line is distressing. I think that this administration has spent a great deal of time simply blaming the previous administration for everything, as well as a lot of time announcing plans and good intentions. A year has passed, and these plans have not yet been formulated; they are still announcements. Moreover, the policy for dealing with the cost of living has really been the opposite of the one that the people who voted for this administration were expecting. This year's outlook is dominated by one big question mark: the awful uncertainty on the oil market, concerning which decisions and measures will have to be taken in time. I think that it is very dangerous for the country to begin discussing basic issues without having sufficiently explored the policies that have been decided on or the alternatives in the event that some of these policies are not workable. This administration gives the impression

at times that its answer to a number of tricky questions that are posed is: That would take a miracle. I don't feel that we ought to rely on miracles.

[Question] Are you suggesting that the government ought to put together a scenario, make decisions based on it and then act accordingly?

[Answer] The Plan of the Nation contains four scenarios, but they do not seem realistic. The news from OPEC is that the outlook might be even worse than was considered for what was called the "low-profile" scenario. There also seems to be a contradiction between the assertion that everything depends on that unknown quantity and the repeated declarations of some economic offices that the conditions on the oil market are not going to alter the financial program that they have worked out.

Eating One's Words

[Question] Given your experience as president of the republic, what do you think ought to be done to overcome the nation's current difficulties?

[Answer] I think that one indispensable condition is an in-depth dialogue conducted with sincerity and with a genuine desire to reach agreements, not a phony dialogue for publicity purposes. Without looking too much to the past, I cannot help but note that I took office with 30 percent of Congress on my side, with an opposition majority in the legislative assemblies and on the municipal councils, with a Central Bank president who belonged to the opposition party, and with a Supreme Court dominated politically by factors that explain why when I outlined the grave situation that would arise if the Council of the Judicature were set up as they wanted it, the vote was eight to seven against me. Eight votes in which politics carried more weight than the law proper. Well, I realized the importance of dialogue in that situation, and that dialogue enabled me to turn over a solvent country with a balanced budget, with sustained growth in the gross domestic product and with a strong currency. I think that all of this talk that the bolivar was overvalued is the reason for our woes, because when the bolivar was at 4.3 to the dollar, there was no capital flight, no lack of confidence and no boom in imports. I think that the way in which the country is run really is very important in these matters.

The administration that succeeded me could very well have undertaken a major public works program without getting the country in debt. The 14 billion bolivar budget had been criticized as too high by the very people who took office in 1974. There was no need to inflate it that much. It could have increased at a more or less natural rate, and the surplus would have been enough to pay off all domestic and foreign debts, due and not due, some of them with terms of 12 years or more, or at least many of the projects could have been constructed with imported materials. This would have prevented too fast an increase in

the money supply, which leads to inflation. For example, the subway cars and a bunch of other things were imported as a result of that surplus, which also enabled the country to nationalize its oil industry, because if Venezuela had not had enough reserves to endure the crisis that the transnational corporations could have caused, it would not have been so bold as to tell them: "Well, gentlemen, that's as far as we're going with you. You're leaving."

It is really a shame, it is madness, it is incomprehensible that the country was put in that much debt. As President Herrera Campins said in his inaugural address: "I am inheriting a mortgaged Venezuela," a statement that everyone had to admit was true. The unfortunate thing is that his statement was not taken as a guide by the entire administration in an effort to pay off Venezuela's mortgage or at least to reduce it to a level that Venezuela could afford in the future. In this connection, I think that many factors were involved; many of the debts that the administration of President Carlos Andres Perez contracted inevitably led to further borrowing because programs were under way, half-finished or about to begin, and fresh funds were needed to continue them, such as Guri or SIDOR [Orinoco Iron and Steelworks]. Furthermore, this all led to the general law of wage increases, which Deputy Jose Vargas sponsored and which was the foundation of AD's comeback, in addition to all of the agencies that arose and borrowed short term to meet needs. I really think that were it not for the foreign debt problem, Venezuela would not be plagued by serious economic problems and we would be able to undertake a development program, of course one that would have to be truly in keeping with conditions in the country and with its basic needs.

From Perez to Herrera

[Question] How would you compare the administrations of Carlos Andres Perez and Luis Herrera Campins?

[Answer] Everyone who looks at the numbers, everyone who looks into the country's economy acknowledges that the disarray began under President Perez, who forgot something that he said at the outset of his administration and that everyone had applauded him for: We have to manage our abundance with a philosophy of scarcity. It is paradoxical that both Carlos Andres Perez and Luis Herrera Campins forgot those words, which reminds me of the old saying about having to eat your words. Now then, Luis Herrera's administration was a consequence and, to an extent, a continuation of Perez's. Some things were corrected, and attempts were made to fix others, but the main criticism that we can level at it is that it did not succeed in correcting the general pattern that it found and failed to put the country on a serious forward course.

Is COPEI a Carbon Copy of AD?

[Question] The rumor is going around, and it is almost being taken for a fact, that there is a faction in COPEI that wants an ideological reassessment to turn the party into a sort of second Democratic Action.

[Answer] Some people have in fact talked about and tried to talk about turning COPEI into a sort of carbon copy of AD. But this would not be in keeping with the feelings of the overwhelming majority of the party. What happens is that the people who talk about this get a great deal of media coverage at times, and in addition some journalists have fun provoking replies and counterreplies here and there because they think that they are livening things up this way. COPEI has very specific roots and has a historic role that it has fulfilled and that it has an obligation and a duty to fulfill.

The Evil of Corruption

[Question] Have you made halting corruption one of your goals?

[Answer] Corruption has really done tremendous damage to the country and to the democratic system. Not because dictatorships have been honest, as we might gather from the people who claim that corruption began with democracy. All dictatorships have been highly corrupt, and the corrective measures, which have involved confiscations of property and various sorts of trials under varying circumstances, were unable to stop it. Unquestionably, however, the heavy influx of money as of 1974 made the problem much worse, anguishingly so. I even have the impression that the rise in corruption at certain levels and in a number of offices of the previous administration was spurred on or really took off after the "Sierra Nevada" affair, Congress's failure to act, the "Canache affair," the "Ortega affair" and everything else that heightened the temptation for government officials to steal. This is why Dr Gonzalo Barrios made his very incisive, very meaningful remark that a public servant in Venezuela has no reason not to steal.

[Question] How do you feel about a moral housecleaning in COPEI and about Oswaldo Alvarez Paz's insistence on tossing out corrupt party members?

[Answer] There is a very strong trend in the party in that direction, and I don't think that only a certain group of leaders has this in mind. The secretary general himself, Dr Eduardo Fernandez, has ordered investigations into the cases that have been brought up, and Dr Godofredo Gonzalez, the chairman of the Ethics Committee, is in charge of the inquiries. But the party itself is not a tribunal; it is an organization that has its moral interests to defend, and in this sense it has to do some housecleaning. Moreover, the Ethics Committee is faced with certain matters of conscience. When it does not have hard evidence against someone but has a strong inner feeling,

it is understandably fearful that by making a pronouncement it could be condemning someone against whom there is insufficient evidence. All parties have come up against this, because sometimes members who from the party's standpoint are very deserving because they have fought, because they have suffered or because they have been active in times of persecution or danger, have been singled out by public opinion. The fact is, though, that in these cases it is very hard to develop evidence.

Message to and from COPEI

[Question] What would like to tell the country and, in particular, the members of COPEI now that the party is 39 years old?

[Answer] First of all, I want to assure the country that by far the predominant desire in COPEI is to serve and to represent the nation without reducing it to the narrow bounds of party membership. I remarked at the National Board meeting that COPEI must become the spokesman of the country's non-AD voters, who are unquestionably in the majority. I cited the example of parties such as the Christian Democrats in Germany, who have fewer members than COPEI does and who have a secure vote total of between 12 and 16 million. In other words, we have to gain the confidence even of those who might not agree with very important points of our ideology. More than once the name Social Christian has prompted resistance from people who are not Christians, although over time it has become clear that ours is not a church-affiliated party. I would also like to convey to the party some words of optimism, of solidarity, of affection. This is also the year of youth, the year of ideological reassessment, of looking into the party's ideology. Our young members will find this year that the ideology that was put forth on 13 January 1946 is still largely current, is fundamentally coherent and has strived to understand the realities and the needs of our homeland.

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VENEZUELA

AD LABOR SECRETARY STRESSES NEED FOR SOCIAL CHANGE

Caracas BOHEMIA in Spanish 4-10 Feb 85 pp 46-49

[Interview with the labor secretary of Democratic Action (AD), Antonio Rios, by Lesbia Delgado in his office; date not specified]

[Text] Just as the country was forgetting that it had ever had a 4.3 bolivar to the dollar exchange rate and was concerned about securing a rate a few cents below 12 and when businessmen felt almost privileged to have received dollars at 7, the news broke that Electricity of Caracas had been given a sizable quota of dollars at 4.3. Immediate displeasure in all quarters. In the first place, the people could not understand how dollars were being given at this price to an enterprise that had just recently boosted its rates. Businessmen could not understand it either, especially the ones who produce staple goods. And the leaders of the CTV [Confederation of Venezuelan Workers] roundly condemned the move; with 1 month left in the administration's 1st year in office, this was the CTV's first public criticism of the Executive Branch.

A Subsidy

Antonio Rios, the national labor secretary of Democratic Action, was the first to react publicly against the administration's move. We met with him in his office on the fourth floor of his party's headquarters. He reaffirmed his position to us, asserting that the 4.3-bolivar dollars constitute a subsidy for the utility, at a time when no one can deny that businesses in trouble and even in bankruptcy were not receiving them at that rate.

"While this was happening, there were prosperous businessmen who did not reinvest their earnings; this was the case with Electricity. This utility sold shares, distributed dividends and boasted that it was the best run company in the country. Why didn't it use the money it made when it was thriving to take care of its own development. It had to borrow money from the government, and then that money became more expensive as a result of the exchange measures."

The AD labor secretary explained that the basic issue here is that the country has prosperous businessmen with bankrupt businesses.

"The same goes for financial institutions and banks. The balance sheets that they publish show fat profits. So why are they saying now that they need dollars at 4.3 to be able to resolve their problems?"

[Question] What action will the CTV take in response to these moves?

[Answer] This is part of an administration strategy, and it is free to manage its funds accordingly.

[Question] And what is the CTV's strategy?

[Answer] If this is the case, the CTV has to reassess its strategy. The CTV, the unions cannot be asked to sit idly by and see their wages frozen while the cost of living rises, simply because that sort of approach hampers the country's recovery.

[Question] When are you going to fashion your strategy?

[Answer] At the Ninth Congress of Venezuelan Workers, which is scheduled for 23 to 26 May. We felt that the date of the congress had to be moved ahead. Under our bylaws, the congress was supposed to be held at the end of the year, but we feel that the country is in a difficult situation at the moment and that we workers ought to fashion once and for all a strategy for our involvement in the development process.

[Question] Is the CTV going to analyze the administration's performance at its congress in May?

[Answer] Rather than analyze the administration's performance, we intend to review the Porlamar Manifesto and the Seventh Plan of the Nation, so that we can propose solutions consistent with today's conditions. So then, rather than an analysis of the administration's performance, what we are going to do is say what sort of role we want, what sort of society we want to see develop in our country.

[Question] What does the Porlamar Manifesto say?

[Answer] At the Eighth Congress we set forth in the manifesto what we felt the workers' political agenda was. All of our proposals are set forth there, but the backdrop was different. Let's not forget that at the time that congress was held, Venezuela had oil revenues and was getting loans to solve its problems.

[Question] Aren't you going to assess the administration's program and its performance?

[Answer] Of course we have to do that. We workers have our own aspirations, and we are unquestionably going to assess what sort of progress we have made, where the problems have been and our own participation in the ongoing crisis. And we hope that the administration also proceeds with the crisis in mind.

[Question] Does the Seventh Plan of the Nation reflect what Venezuelan workers need and want?

[Answer] I would say rather that Matos Azocar relied heavily on the Porlamar Manifesto and espoused our aspirations. He espoused them and gave them form. The important thing now is for us workers to see which proposals of the manifesto have not been taken up in the Seventh Plan, so that we can put together the sort of society that we Venezuelans want, our vision of a Venezuela not dominated by oil.

[Question] And what does Matos Azocar's departure from the Coordination and Planning Ministry mean to the CTV?

[Answer] We hope that when he returns to the party he will help it to be a more effective tool for change in the country and that he will also help the CTV with the technical and professional advice that we workers need to tackle our problems not only with the enthusiasm that labor leaders can generally arouse but also with the technical arguments that will enable us to bring about the changes that the country needs. [end of answer]

Towards the end of the interview Antonio Rios announced that the CTV would look into the conditions among the workers and the peasant farmers. Their living standards have not risen in recent years; on the contrary, in spite of wage increases, they cannot afford staple goods because of inflation.

[Question] Does this mean that the CTV is going to call for a wage boost?

[Answer] No. That is not our objective. The aim is social change, not wage boosts. An extra 3 or 4 bolivars is not going to change the workers' situation, because if that contributes to inflation and unemployment, we are harming them. The problem is to set a course,

to decide how our country is going to develop, so that as the Seventh Plan states, we can provide broader opportunities for new sectors, for groups of professionals and workers to take part in development.

[Question] When are the elections for officers in the CTV?

[Answer] In May, during the Congress of Workers. The candidate is our colleague Juan Jose Delpino. The AD labor leadership has already approved this, both in the bureau and the secretariat.

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VENEZUELA

COPEI SECRETARY GENERAL ON SOCIAL UNREST, OTHER ISSUES

Caracas BOHEMIA in Spanish 11-17 Feb 85 pp 16-21

[Article by Hugo Alberto Goitez on interview with the secretary general of the Social Christian Party (COPEI), Eduardo Fernandez]

[Text] As the first year of President Luisinchi's administration was drawing to a close, he met with the top leaders of the main opposition party. The latter brought up various issues having to do with the course of events in the country, and the president listened to them with the utmost interest. This rapprochement could lead to a broad national accord aimed at resolving today's wideranging problems.

We spoke with Eduardo Fernandez, the secretary general of COPEI, because he is the standard-bearer of the national accord that his party has proposed. COPEI has stated publicly that it does not want to see the government fail because Venezuelan democracy would fail too in that case.

"I belong to a generation that made its modest contribution to the struggle for democracy in Venezuela, as befits a modern, civilized nation. Our generation does not want to see democracy collapse; we want to see it renewed, modernized. This is why we sincerely offered the president of the republic our cooperation, with the country not with the administration."

No Desire to See Administration Fail

The COPEI secretary general clarifies that his party does not want any posts in government, any cushy jobs:

"Our role is as the opposition for the 4 remaining years. It's just as well that's there's only this time remaining. We will be back in office with full responsibility in 1989, but we hope to find something to govern. We are doing poorly on our present path, and this is why we are calling on the president to correct his course. We don't want a victory based on this administration's collapse or catastrophe."

Fernandez says that his party really wants the administration to succeed with some of its basic policies and to fulfill to some degree the enormous expectations that it aroused among the public, so that it can set in motion the program of political renewal, economic and social change and cultural advancement that COPEI is fighting for.

[Question] You are offering a loyal opposition.

[Answer] A constructive opposition as well, an opposition that says before all else: Mr President, we are not going to deny you our support for the things that we would have done had we been in office. But the administration has wasted its first year terribly. We are in a very dangerous situation, because the administration's tendency is to follow the economic policies of the decade of plenty. [end of answer]

Eduardo Fernandez explains that the administrations of Carlos Andres Perez and Luis Herrera made mistakes but had hard cash from oil sales.

Group Therapy in Government

"The tragedy of this administration is that it wants to continue the government spending policy of the previous years. This time, however, it's not with hard cold cash but with the printing press and devaluations, taking the same path that the Southern Cone countries, Argentina, Chile and Uruguay, followed some years ago with such sorry results."

With regard to the reactivation of the economy, he asserts that the government has lost the battle of confidence because it has not clearly spelled out what its national objectives are, which has created terrible confusion within the administration itself.

"Imagine how bad the situation must be if psychiatric treatment, group therapy has been recommended within the administration itself. In other words, things must be pretty bad in the administration if it has to resort to the methods that psychiatrists and psychologists use to treat mental illness."

Prerevolutionary Situation

"President Lusinchi is well-intentioned, but his team is messing things up. The country is not back on its feet, and we are not better off. Our most important democratic institutions are being discredited. Unemployment is higher than at the end of Luis Herrera's administration. The problem of personal safety is getting worse. The social climate is terribly explosive. The situation is thus prerevolutionary."

Seeing us react with surprise to his assertion, the COPEI secretary general explained:

"Here's the equation: economic stagnation plus unemployment, a higher cost of living, greater personal insecurity equals a prerevolutionary situation, with a government that has shown very little imagination. The only one who had any imagination has just left the Coordination and Planning Ministry on the run. A government with that little imagination will resort to repression, and then we have the vicious circle of violence and repression, which leads to political instability."

Eduardo Fernandez goes on to say that in light of the political picture that he has just painted, his party proposed a national understanding to replace the Social Pact, which he considers a failure because it was "a blueprint for an alliance of interests."

"We are going to delve more deeply into the political agenda that we represent at the Ideological Programmatic Congress, where we are going to force our adversaries to discuss the ideas that we are going to present."

[Question] People are saying that if COPEI does not slough off its Herrera legacy, it doesn't have the slightest chance for a comeback in 1988. We disclosed in BOHEMIA's Political Report section that your intercession was decisive in preventing Herrera Campins from being expelled. Why did you do it?

[Answer] In the first place, the argument is not at all original. Five years ago, Guillermo Salazar Meneses, among others, argued that if Democratic Action did not get rid of the people who were the major administrative corruption suspects under Carlos Andres Perez, it would never win another election. And 5 years later they won with 57 percent of the votes. [end of answer]

Leadership Without Splits

Eduardo Fernandez is almost obsessive about this one issue: "To me, party unity is very important, unity with determinations."

[Question] What sort of determinations?

[Answer] The first determination has to do with leadership. And how is leadership determined? In Democratic Action it used to be determined by the breakup of the party. Every time a force came along that was able to challenge the founder's leadership, the party split. In COPEI, which is a modern party, leadership is determined by the "real man in the street," consulting freely with the party's grassroots so that the COPEI masses can say who their leader is. And the COPEI rank-and-file just cast 90 percent of their votes for the platform that I had the honor of heading as a candidate for secretary general. [end of answer]

Eduardo Fernandez cites the "ideological platform" as the "second important determination."

"On my initiative we are calling an Ideological Congress for May 1986 to coincide with the 40th anniversary of COPEI's founding. At it we are going to present the party's political, economic, social and cultural position papers for the Venezuela of the future. I think that the torch will be passed to our generation to the extent that we are able to put forth a political agenda that embodies the new Venezuela, just as the preceding generation expressed its political program, which has been very successful, in the Punto Fijo Pact and in the 1961 Constitution."

[Question] That's true...

[Answer] I say this because I want to vindicate the Punto Fijo Pact. The pact has been largely carried out over the last 26 years of democracy in Venezuela. So, Rafael Caldera, Romulo Betancourt and to a lesser but still important extent, Jovito Villalba helped to give the country the framework for this stellar period in the history of independent Venezuela. But we cannot continue to live on past glories; we have to make our own original contributions as the generation of 1958...

[Question] In other words, you don't renounce the past.

[Answer] No, quite to the contrary. We are not an iconoclastic generation and we don't want to take over by destroying the values of the past; we want to take over with the support and encouragement of the foregoing generation because it is a very worthy generation.

COPEI Has Taken Action

[Question] Nevertheless, one of the things that the country wants is for new leaders like you to do something about corruption and corrupt officials. What are you doing and what will you do in this regard?

[Answer] When all is said and done, we have done more than Democratic Action, because Vinicio Carrera is out of COPEI because he didn't abide by the rule of law. Domingo Mariani, for his part, fully aware of the investigation that was under way in the party, decided to resign from COPEI. Now then, not a single such case can be mentioned in Democratic Action. And what do we intend to do? Give the country real assurances that the mistakes of the past will not be repeated.

[Question] There are many non-COPEI people who are worried about what will happen to COPEI, because we need COPEI. These people feel that COPEI has the Herrera millstone around its neck. Do you think that COPEI can start making another bid for power with this millstone, as many people call it, around its neck still?

[Answer] The party is what its rank-and-file has just decided it would be, because we have just been given complete control of COPEI, the revamped, the fresh new COPEI, the COPEI that has great respect for the leadership of Rafael Caldera, the COPEI that gathers in the

contributions of its leaders, as well as the ethical contributions of Pedro del Corral, the contribution of Godofredo Gonzalez, the contribution of all the foregoing generations, the contribution or contributions of Luis Herrera as a major party leader.

Caldera Could Be the Candidate

[Question] Gaither, a firm that you yourself have acknowledged as dependable, has published the findings of an opinion poll that shows that voters prefer Rafael Caldera to Carlos Andres Perez.

[Answer] Yes, the people are never wrong.

[Question] Now then, we all know that you want to run for president. However, if former President Caldera maintains or widens his lead in the polls, will you still seek the office?

[Answer] In the first place, I was enormously pleased to hear the news that the public enthusiastically acknowledges what Rafael Caldera represents in our country. When COPEI is called upon to choose who its presidential candidate will be, we will have to decide what is best for Venezuela, what is best for our ideology, for our party's ideological platform. And if at that point the indications are that a Rafael Caldera candidacy is best for the country, then I will be the first to support his ticket. [end of answer]

The secretary general did not want to discuss this burning issue further, reminding us that his party's National Directorate and Rafael Caldera himself have agreed not to broach the matter of his candidacy yet.

That will be left for another occasion.

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